The Consumption of Music and the Expression of VALUES:

A Social Economic Explanation for the Advent of Pop Music

By Wilfred Dolfsma*

ABSTRACT. By consuming pop music, people want to express who they are, to which group they belong, what their identity is. People's identity, however and contrary to what many believe, is not strictly individual. Instead, people’s identity is highly social and draws on the socio-cultural values (what I here propose to call VALUES) in society – VALUES that become ‘objectified’ or institutionalized and may thus be communicated to others. If such institutionalized socio-cultural values are not conceptualized, and if one is not able to understand how institutions work in signaling people's identity, one is not able to explain a phenomenon such as the advent of pop music. In this paper, I apply and develop ideas taken from institutional and social economics, to understand the consumption of a symbolic good such as pop music.

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“When modes of music change, the fundamental laws of the State always change with them”.

Plato, The Republic. Book IV

“It is culture which constitutes utility.”

Marshall Sahlins (1976, p. viii)
Introduction

What explains the reactions to Blackboard Jungle, the movie that appeared in 1956 and featured Bill Haley's song "Rock around the Clock"? Why were young people attracted to it and older people shocked? Why did Elvis Presley make such an impression? The advent of pop music in the 1950s and 1960s in Western societies is in dire need of an explanation. An aloof and clear-minded look at the lyrics of Elvis' songs does not suggest that deep thoughts or emotions are involved that merit the hysteria. What then explains the antagonism between people who liked Elvis and those who enjoyed music by Cliff Richard? (Or just a little later the Beatles versus the Rolling Stones?) Answers to these questions would interest economists too, since the consequences are economical in a strict sense, and not just cultural or social. Within a period of two years after 1955, for instance, the music scene in the USA changed dramatically (Peterson 1990, p. 97). Record companies are major players in the economic sphere nowadays (Vogel 1998), and pop music is used extensively in places or fields that seem at first sight not directly related to it. What concerns me here is to explain the 'sudden' advent of pop music and the institutional changes that accompanied it and made it possible at the same time. The phenomenon has strictly economic aspects, some of which are measurable, but also has aspects that might be better called 'social' or 'cultural'. These different aspects are intertwined. Since the late 1950s and early 1960s pop music has become an important way for many people to distinguish themselves from others (Frith 1983, 1987a). They consume music as a way of showing who they are, and what they want to be. I will argue that from an institutional and social economic perspective (cf. Ackerman 1997), explaining the advent of pop music requires recognizing that pop music represented these socio-cultural values for its consumers. Though I will focus on development in the Netherlands in particular, I indicate that these behaviors were in many cases similar to those in other countries. Moreover, the explanation of consumption behavior suggested here is relevant for other analyses of consumption, particularly for consumption of symbolic goods. In arguing for an explanation along institutional and social economic lines, I must, in Section 1, first persuade the reader that other, more mainstream explanations are inadequate.
The Need for a Different Explanation

Consumption of pop music has, for the purposes of this study, broad connotations; it includes the consumption of material and immaterial goods related to pop music. Examples are records, radio programs, music magazines, and concerts. There are a number of explanations for the sudden rise in the consumption of pop music. Most of the explanations reviewed here are economic explanations. Some scholars address the problem of the advent of pop music explicitly (DeBoer 1985; Peterson 1990), while other explanations are more implicit. These can be rephrased such that they become relevant for the issue at hand. Empirical and theoretical evidence will show that these accounts have little or no explanatory power.

Fixed Preferences and Technology

Neoclassical economics assumes that individuals have fixed preferences that they want to maximize under given constraints (cf. Stigler and Becker 1977; Becker 1996). Constraints such as the budget or a given technology have a limiting effect. A neoclassically inspired argument that might be adduced to explain why pop music became so popular is that rather overnight young people had become more affluent, their budget constraint was alleviated somewhat. Youngsters had more money to spend how they pleased then as compared to any previous generation. Note, first, that this does not explain why they wanted to buy pop music instead of the Big Band music, jazz or French chansons that was around at the time, or candy, or literary books. There has to be a reason why the difference between the two kinds of music – for which Rutten (1991) and Stroop (1974) present evidence based on content analysis – mattered. Secondly, Kleijer at al (1992) have observed that the size of young people's income or of the income of people in general cannot be the only - or even the major - reason for such phenomena as looked at in this paper. The case they present to make this claim is that of the differences in the developments in Belgium and in the Netherlands. Belgium is in many important ways similar to the Netherlands, especially in economic respects. Young people in Belgium even had a higher disposable income on average than teenagers in the Netherlands at the time. Nevertheless, the advent of pop music in Belgium began later, was slower and had less severe consequences than
Table 1

Relative Prices of LPs and Singles Compared to the Relative General Price and Income Levels in the Netherlands
(Index: 1955 = 100)

<table>
<thead>
<tr>
<th></th>
<th>Mid 1950s</th>
<th>Ca. 1960</th>
<th>Mid 1960s</th>
<th>End 1960s</th>
</tr>
</thead>
<tbody>
<tr>
<td>Singles (45 rpm)&lt;sup&gt;a&lt;/sup&gt;</td>
<td>100</td>
<td>112</td>
<td>125</td>
<td>135</td>
</tr>
<tr>
<td>Lps&lt;sup&gt;a&lt;/sup&gt;</td>
<td>100</td>
<td>109</td>
<td>120</td>
<td>130</td>
</tr>
<tr>
<td>CPI&lt;sup&gt;b&lt;/sup&gt;</td>
<td>100</td>
<td>118</td>
<td>141</td>
<td>173</td>
</tr>
<tr>
<td>Income/person&lt;sup&gt;b&lt;/sup&gt;</td>
<td>100</td>
<td>135</td>
<td>195</td>
<td>258</td>
</tr>
</tbody>
</table>

Sources: <sup>a</sup> Computed from figures provided by Polygram, Department for Corporate Research and Planning.

<sup>b</sup> Consumer Price Index (CPI) and Index for income/person; computed from: Statistics Netherlands (CBS 1994, pp. 161, 181).

that in the Netherlands. Even more, although there are only aggregated figures on the topic available and we would like to have disaggregated figures, Statistics Netherlands (Table 1) shows that in the 1950s average prices for working class households and average income levels per person rose more or less in accord, with income rising just somewhat stronger than average prices. This could mask a change in relative prices, although that is doubtful, but it at least indicates that on average budget constraints did not change dramatically in the late 1950s and even the early 1960s – these only relaxed considerably in the second part of the 1960s in the Netherlands (Zanden 1998). At the time households in the Netherlands were predominantly single-income households – women did not participate in the labor market. If young people – who were the driving force behind pop music’s advent – earned an income, they often had to part with a significant share of it. Young people did not usually have the possibility to spend money autonomously.

An early study on teenage consumer behavior in the United Kingdom of the 1950s by Abrams (1959) addresses this point. Teenagers spend a large proportion of their money on ‘symbolic goods’, goods that have a social function and are considered important for people’s identity such as records, clothes, the cinema (Abrams 1959, p. 10). The budget constraint argument would ideally entail that, as budget constraints become less
binding, consumption on all goods rises proportionately. We would like to be able to see relative changes in the proportion of goods purchased by youngsters over time, of course, but such information is not available. While British teenagers at the time had considerably more to spend than ever before, Abrams argues that, referring to the results of his survey, this cannot explain the changes in the way in which they spend their money. The arguments discussed here suggest that the increased purchasing power is only a small part of the explanation for the advent of pop music and needs to be complemented. Kleijer et al (1992) even contend that their empirical observations show that the purchasing power argument is irrelevant for an explanation of the advent of pop music. I would not completely subscribe to this view because budget constraints did play a role. Consumers of pop music could and did, however, find a way to circumvent the constraint. It is nevertheless correct, in my opinion, to state that changing budget constraints are not the only or even most important explanation for the peculiar phenomena of the advent of pop music in the 1950s and 1960s.

A similar argument as the one on purchasing power is that of technology. Like a budget, technology is often thought of as an exogenous constraint to people and firms ('economic agents'). By the time of the 1950s, and certainly the 1960s, the technology needed to consume music was there and was relatively widely available (see Table 2). The constraint, in other words, that technology imposed upon the economy changed.

### Table 2

Radio, Television and Record Players in the Netherlands

(\# per 100 households)

<table>
<thead>
<tr>
<th>Year</th>
<th>Radios</th>
<th>Television sets (b &amp; w)</th>
<th>Record Players</th>
<th>Households (1,000,000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1951</td>
<td>77</td>
<td>—</td>
<td>—</td>
<td>2.8</td>
</tr>
<tr>
<td>1957</td>
<td>95</td>
<td>8</td>
<td>—</td>
<td>3.1</td>
</tr>
<tr>
<td>1960</td>
<td>97</td>
<td>25</td>
<td>—</td>
<td>3.2</td>
</tr>
<tr>
<td>1965</td>
<td>148</td>
<td>68</td>
<td>46</td>
<td>3.5</td>
</tr>
<tr>
<td>1970</td>
<td>172</td>
<td>82</td>
<td>68</td>
<td>4.0</td>
</tr>
</tbody>
</table>

Source: Knulst (1989, p. 235)
Increasing numbers of people or households possessed a television, a radio, or a record player. However, although recording music and printing records became a lot easier than it was before and the quality of recordings and records increased dramatically, costs of production only began to decrease due to the introduction of new technology in the sector during the most recent two decades (Colonna at al 1993). It is not at all clear whether or not producing the new pop music was less expensive than the types of music en vogue before. Probably it was not. Even if developments in technology did make it easier and cheaper to produce music, which would thus in a competitive environment mean that music products would become cheaper, Bowden & Offer (1994) argue that price and income are no explanation for the rise in the sales of radios – amongst other ‘time using’ household appliances. These purchases are typically social in nature; the objective is, for instance, to gain status within a group of people. The technological developments relevant to the music industry did, at the point in time where the shift to pop music occurred, not lead to production cost decreases, followed in the ‘ideal’ situation by price decreases or relatively slower price increases which would then allow people to buy more records and other ‘music goods.’ Technological appliances play a social role as well. In the early 1960s young people started acquiring transistor radios. These opened up the possibility of listening alone to music on the radio, without being disturbed by parents or others. Before the transistor radio, households had one connection to a cable (“kabelom-roep”) that provided them with a choice of four different broadcasters. This radio would, partly because of its size, have a central place in the house, usually in the living room. Controlling the choice of programs listened to was relatively easy. Transistor radios were expensive and the little data that is available indicates that it is fair to say that the diffusion of the transistor was slow. Still, for all the effects technology has had for the consumption of music in general and that of pop music in particular, the question would remain: Why pop music? The available technology could also be used to produce or consume other kinds of music. Technology can only help to explain why pop music became such an important phenomenon so rapidly, but not why it was the pop music we now know as ‘pop music’.

Baumol’s Disease

Baumol’s disease - the name given to the alleged increasingly difficult financial position of the performing arts - is often alluded to in the field of
cultural economics as a possible explanation of the advent of pop music (cf. Baumol and Bowen 1965, 1966). The argument in relation to pop music is similar to the previous discussion of technology and technological development, but not the same. Baumol and Bowen stress the effects of technological development for the different sectors in the economy, claiming that, being a service sector, the cultural sector is in a disadvantageous position compared to other sectors in the economy. In the case of pop music the argument would be that the Big Bands could not improve their productivity as fast as the newer styles of music could (DeBoer 1985). The Big Bands are more labor intensive than other performers of music, the argument goes, while both benefit similarly from increases in capital productivity. Therefore, prices for the Big Bands’ products – broadly conceived – would increase relative to those of their competitors. To continue the argument, customers buy the music that is cheapest, so the income of artists in the Big Bands decreased for lack of demand for their products. In a new equilibrium big bands would only have a marginal existence and pop music predominates. Like in the previous paragraph, the Baumol disease argument does not explain why Big Bands would lose out against pop music. The Big Bands could have changed their way of playing music and adapt to the changed technological environment; there could have been product innovations along with process innovations. Furthermore, the Big Bands could also have lost out to a completely different kind of music, a kind of music other than pop music. The problem is that the Baumol argument separates the content of music from the form it takes (DeBoer 1985, p. 54), assuming that the content is irrelevant to economics. From an example Goehr (1994) gives it becomes evident that content and form cannot be separated so easily. Goehr gives the example of a composer of ‘classical music’ called Hanns Eisler. Eisler in his music wants to express different values than those usually expressed in classical music and thus “rejected the traditional format of the concert. Performers should no longer merely interpret the music . . . Listeners should no longer sit as passive audiences. Eisler experimented with new media and technology” (Goehr, p. 100). Eisler used all available means, including technological means, to convey this message to his audience. If technological developments allowed a new classical music to develop and gain an audience, why could the Big Bands not change their ways? It also could have allowed for kinds of music that are completely different from
classical, Big Band or pop music to become popular. Instead, the Big Bands disappeared almost entirely and a quite different music took center stage. Why? ‘Baumol’s disease’ does not explain this.

*Pop Music as a Fashion?*

Economists addressing the question of why and when changes in fashion occur also deal with changes in preferences. Changes of fashion are changes of consumption patterns, albeit that they are short-lived. Fashion changes can have large impacts in economic terms, similar to those of pop music. The idea that pop music itself is a fashion, or consists of successive fashions, is an idea many people have – especially people that are skeptical to pop music. Economists’ arguments to explain changes in fashion might offer an explanation for ‘pop’s popularity’. Neoclassical mainstream economists can take one of two positions with regard to fashion without breaking away from the paradigm.

A first road in neoclassical economics for dealing with changes in consumption patterns and fashions is to elaborate on Lancaster’s argument that products may have several characteristics. Similarly, physically different products might all have a relation with pop music - records, live performances, T-shirts, caps, posters can all have ‘pop music characteristics’. Lancaster (1966) argued that products are not uni-dimensional but instead can have a number of characteristics or attributes. Further, it is not products that consumers want, but their attributes. Some attributes of a particular product consumers find important, while they may not prefer others. Karni and Schmeidler (1990) move this argument a little further by saying that products not only have physical attributes satisfying material needs, but have social attributes satisfying consumers’ preferences for ‘the social’ as well. Commodities are ‘extended’ into the social realm. Karni and Schmeidler (pp. 262-3) say that “the social attributes of an extended commodity consists of information concerning the users of this commodity and of information concerning the users of other commodities satisfying the same material needs. . . . Therefore, a consumer’s preferences between two standard commodity bundles depend on the entire allocation in the economy”. Thus, as is usual to assume in neoclassical economics, consumers have fixed preferences concerning their social environment; we all want to be part of a group that distinguishes itself by, among other things, consuming certain products. Since their social environment changes, people’s tastes for particular items or products changes. Karni and Schmeidler
(p. 263) assume "that social attitudes are, by and large, a reflection of the class affiliations of the individual". There are some people ('α consumers') who are of a higher class and want to distinguish themselves from the others ('β consumers'). 'α Consumers' are not pleased when they find that too many 'β consumers' consume the same thing as they do. 'β Consumers', however, want to improve their position on the social ladder and like it when more people of any class consume what they are consuming, especially α consumers. A first objection to Karni & Schmeidler's account is that, according to Simmel (1957, p. 541) "man [that is all people] has ever had a dualistic nature". The phenomenon of fashion consists of two factors: an element of demarcation and an element of imitation (Simmel, p. 545). All people ('α consumers' and 'β consumers'), thus, want both to belong to a specific group of others and distinguish themselves from others at the same time. Furthermore, as Campbell (1987) argues, the way to distinguish oneself can change. Campbell criticizes Veblen for neglecting this, but this is somewhat unfair to Veblen. Up until Veblen's there were only a limited number of ways of distinguishing oneself, it seems, and these did not change so often as well (cf. Mason 1998). It seems that until the 1950s and 1960s people indeed tried to imitate the upper classes. After this era young people from the upper classes, also, on many occasions, tried to gain status by imitating the socially and economically lower classes, for instance by adopting pop music. Changes in fashion especially, but also behavior during a given fashion, thus implies an active role of consumers. Developments need continuous interpretation for their consequences for one's social position. Interpretations are, even worse, not straightforward either but will change: what is considered good ('cool,' et cetera) can change overnight. Karni and Schmeidler see people as passive creatures, reacting to exogenous developments and having fixed and unchanging preferences (for 'the social'). The resulting account of fashion and changes in consumption patterns is inadequate.

Pesendorfer (1995) tries to explain the cycles of fashion by arguing that producers introduce new products on the market whenever this has become worthwhile for them. As soon as the benefits of introducing a new fashionable item exceeds the costs of developing that new product and bringing it to the market, a firm induces a fashion. This manipulist view on fashion and consumption is not credible (cf. Campbell 1987). Difficulties firms have in predicting the next fashion in a particular field are notorious,
they spent considerable amounts of money just to be able to reduce some of the uncertainty. One could also object to this manipulist perspective that firms – the music industry, for instance, or clothing industry – would be immensely profitable, asking what Deirdre McCloskey calls the American question: "If they're so smart, why aren't they rich?" Moreover, even if it should be so easy to manipulate consumers into buying the fashionable products a firm sells, and profits are soaring, competitors would undoubtedly contest this market. The manipulist view of fashions is a caricature of the social processes that constitute fashion, which is not to say that firms operating on markets prone to changes of fashions have no influence at all in the process. Although Pesendorfer (1995, p. 771) pays lip-service to a classical, impressive and still in many respects relevant analysis of fashion by Simmel (1957), he does not grasp the essence of Simmel's sociological analysis. In one paragraph Pesendorfer (1995, p. 772) summarizes Simmel's argument eloquently, while in the next he goes on to ignore the role of the consumer by assuming the existence of a monopolist who can introduce new fashions at will. Pesendorfer assumes two types of people, 'high' and 'low'. These groups of people want to distinguish themselves in the same way as Karni and Schmeidler's 'α and β consumers'. People will buy the new fashions in any event because there is only one way of gaining status. Besides the objections to the manipulist explanation for consumption that Pesendorfer presents, the same points of critique that I made against Karni and Schmeidler (1990) apply. The consumer is a passive person in Pesendorfer's view, and the way in which people can gain in status is static and uni-dimensional.

Producing Pop Music

In an article called Why 1955? Explaining the advent of rock music Richard Peterson (1990) uses a variant – his variant – of the 'production of culture' approach well known in media studies and sociology. He claims this line of reasoning explains why pop music, or rock music as he prefers to call it, gained primacy. Work by Peterson is well known in media studies and sociology, as well as in the study of pop music. In a way, his 'production of culture' argument is acquainted with the economics literature on industrial organization. Peterson wants to explain the sudden rise of pop music. Peterson (p. 98) discards the 'demand-side' explanation for the advent of pop music: baby-boomers were too young to have any effect on the market. He assumes the
existence of an “unsatiated demand that spoke more directly to the condition of young people.” For a long time the music industry was blind to this unsatiated demand that was not a demand from the baby-boomers. The rest of his article elaborates on his ‘production of culture’ perspective. He shows which adjustments the music industry had to make in order to satisfy the demand for cultural products. In line with Kleijer at al (1992), I argued earlier in this section that (young) people’s income is only a subsidiary explanation for the rise of pop music, if it is one at all. What needs explanation is why and to what extent, as Peterson would frame it, ‘the conditions of young people changed.’ Why did the unsatiated demand appear? By which means can this demand be met? are questions that both Peterson and I would have to ask, but that Peterson does not address. Unsatiated demand is not simply there, people have preferences for goods because of their social role. Young people were satisfied with the cultural products that were offered in the market before pop music appeared on the scene. Only when the sudden change is explained, can the production of culture perspective developed by Richard Peterson be of use.

In the field of cultural economics theories to explain the existence of superstars have been developed by Rosen (1981) and Adler (1985). Might pop music have developed because this accidentally was the kind of music some superstars performed? In a way these contributions can be seen as a part of the ‘production of culture’ perspective that Peterson and others have worked on, although the production of culture perspective originates from sociology. Rosen and Adler show that it is likely that a few superstars dominate present day cultural phenomena and draw the audience’s attention. Thus, within a field such as that of pop music or Big Band music, there are likely to be few stars. However, theories of stardom cannot explain why people nowadays want pop music rather than Big Band music.

A Metapreference for Pop Music?

The most important problem with most economic explanations of this and similar phenomena is that the individual’s preferences are considered as unchanging and the same for all people (Cowen 1989). Economists follow Stigler and Becker (1977) further in assuming that economic agents will maximize their utility under given time and budget constraints, while preferences do not change. Sen (1982) has
called the image of the economic agent that arises from such assumptions a ‘rational fool’. His suggestion for solving this problem is that people can be conceived to have metapreferences: they rank their rankings of preferences. Sen (p. 101) says that people may, for instance, choose to be a vegetarian, while they may not be a vegetarian yet. People can also choose to be somebody who likes pop music, or somebody who likes Elvis (rather than Cliff Richard). Preferences do not simply reveal themselves, but need to be discovered through means that include introspection and communication (p. 102). About these metapreferences Sen says that they need not be complete, they can be partial. Sen says further that “the tool of meta-rankings can be used in many different ways in different contexts” (p. 101, italics added). Does this mean, to come to the possible shortcomings of Sen’s argument in the context of the consumption of music, that the researcher uses this tool, to conclude that, apparently, in this particular context, for this particular person metapreference M prevailed? (That is, are we talking about ‘revealed metapreferences’ here?) Or does Sen try to convey the idea that the economic agent can ‘apply’ different metapreferences in different circumstances? If Sen means the former, he is only moving the problem without solving it. But if Sen means the latter, why not directly adhere to the idea that preferences themselves are socially formed and refrain from further complicating the issue by introducing the notion of metapreferences (cf. Brennan 1989)? Understanding how people’s preferences are shaped, partly as a result of their own intentional efforts, does not, I argue, progress by using the concept of metapreferences.

There is thus no explanation for the advent of pop music that is entirely satisfactory. Neither scholars who have directly addressed the issue, nor those who have done so more indirectly have developed a satisfactory explanation. Reviewing the different arguments has, however, shown that a few important aspects of pop music need to be carefully considered. One is that it is a social phenomenon with a very specific history. Another is that pop music has a meaning to its audience. To fans of and listeners to pop music, it is permeated with socio-cultural values and ideals. Social scientists need to be able understand those, before being able to understand why pop music has become so popular.
Pop Music

III

Recognizing the Importance of Values in Economy and Society

The question we face now is the same, although more specific, as the one Campbell (1987, p. 49) addresses in his eloquent study: How do goods take on meaning or value and what consequences does this have? How does the want or desire for a novel product develop? From his position as a sociologist, Campbell discusses three possible explanations for the way in which items may become meaningful for consumers, all of which he finds to be inadequate.

Campbell (1987) observes that economic theory cannot explain levels and patterns of consumption (see also Falk 1994). There are three accepted views on the sources of tastes, he surmises, neither of which are adequate in explaining modern consumer behavior. These may partly overlap with the views on consumption I discussed earlier. Both the instinctive and the manipulist views of the emergence of preferences assume that the consumer is passive and cannot explain change in patterns or differences between patterns. People do not have innate desires satisfied in only one specific way. Hunger can be satisfied in many different ways: how can instincts account for the fact that people in India eat chapatti and people in the Netherlands eat bread? Moreover, there are acquired desires as well. Decades ago people did not know about washing machines or stereo sets, now many cannot do without them. A manipulist explanation — consumers are forced, deluded, or scared into buying — is inadequate as well: how can it explain that strongly promoted products fail to find a market?

The third perspective Campbell called the 'Veblenesque' perspective; it is not an unusual position to take according to Campbell. In economics, Frank (1985) has taken it, in sociology Bourdieu (1984) amongst others. Consumption in the eyes of Veblen (1899) and others is explained by emulation: people want to attain a higher status in society, they envy those that have a higher status (cf. Dolfsma 1998). Although he is sympathetic to the fact that this view underlines that consumption is a social event, Campbell (1987, pp. 43-57) criticizes the approach of which Veblen is an example for not being able to cope with innovation. The way to attain a position of status can change over time, possibly as a result of conflict between groups over the way to define status. Society is not a cultural monolith where one’s wealth and leisure alone measure status.9 Consump-
tion is, furthermore, not only 'other-directed;' it may reflect personal traits in a character as well. Goods are not only striven for for 'negative' reasons – for the *instruments* they are to distinguish the self (possibly as a member of a group) from others – but can also act as 'positive' representations (Falk 1994). Goods may be 'good objects' to be striven for, irrespective of the social position they imply for their consumers. In the last ages, where affluence has become a part of the life of most people in western parts of the world

"individuals do not so much seek satisfaction from products, as pleasure from the self-illusory experience which they construct from their associated meanings. The essential activity of consumption is thus not the actual selection, purchase or use of products, but the imaginative pleasure-seeking to which the product image lends itself" (Campbell 1987, p. 89)

The self-illusory experience where associated meanings are created takes place in the individual's imagination, Campbell goes on to argue. People's imagination must be about situations that *could* occur, however unlikely the chance that they do occur (Campbell 1987, p. 84). What people imagine themselves to do or have is much closer to the ideals that live in a society. People buy records of famous pop musicians and imagine themselves to be in their place or in the place of the person who features in the song – being that perfectly independent and autonomous person who enjoys life and chooses to live in freedom with the (wo)man s/he loves, for instance. Campbell shows that in the western world the values of the romantic ethic – increasingly emphasizing that desire for pleasure is legitimzed – dominate. Thus he claims to be able to explain consumption levels (the insatiability of demand) and patterns (fashions in demand for products) in the western world leading to its immense economic wealth.

Romanticism provided the philosophy of 'recreation' necessary for a dynamic consumerism: a philosophy which legitimizes the search for pleasure as good in itself and not merely of value because it restores the individual to an optimum efficiency (Campbell 1987, p. 201).

In Campbell's vein anthropologist Jonathan Friedman (1990) introduces a number of cases of non-Western consumption patterns that resemble the way in which (especially young) people in the West consume pop music. Sociologists and anthropologists such as Jonathan Friedman see consumption patterns as an expression of underlying socio-cultural values. Friedman's argument (1990, p. 327) is that production, but especially consump-
tion, should be viewed in different terms than it used to be: "[it is] more than simply material aspects of subsistence... they can be further understood as constituent of selfhood, of social identity." The example of La Sape, a way of being a consumer (more particularly, of elegant clothes) in the Congo, does well to make the point clear. According to Friedman (1990, p. 316) "for the Congolese... tendentially, appearance and being are identical — you are what you wear. Not because, 'clothes make the man' but because clothes are the immediate expression of the degree of life-force possessed by a person." Consumption is an activity that defines identity, the nature of power, sickness and well-being (Friedman 1990, pp. 318-9). The cases Friedman describes and analyses show that consumption can only be fruitfully understood as a means of expression and communication. Differences of consumption patterns between cultures do not indicate the rationality or irrationality of people, but indicate that different basic cultural values are involved or that the same values are expressed differently. Sapeurs are not less, a- or irrational when compared to the consumption patterns of people in the West.

The sapeur... is entirely authentic. No tricks are played on reality. The strategy is not to fool the audience, to use appearance as a means to status that is not rightfully attained. In a world where appearance tends to fuse with essence rather than merely representing it, dressing up is not simply a means but an end in itself (Friedman 1994, 181).

How valuation differs in different social and historic contexts or between different items in the same society is shown in a large number of sociological and anthropological studies. Titmuss's (1970) study is a classic example. He examined the different ways in which blood was made available for those who needed it. In the United States, at the time, people could sell their blood to special clinics, while in Great Britain people donated blood voluntarily without a direct material reward. In the United States the value of blood was expressed in terms of money, representing underlying VALUES in that country of efficiency, independence, commercial spirit, etc.\textsuperscript{10} VALUES held by most people in Great Britain would not allow for the sale of blood. People in need of blood, because they had an accident or because they are hemophiliac, have to be given blood and not 'forced' to buy it. For Britons it was an act of good citizenship to donate blood voluntarily. Zelizer (1979) provides another example. She describes the changes in the VALUES and thus the institutional setting for the United
States with regard to life insurance. Prices are thus but one way in which values for particular items can be expressed. The suggestion is that there is a direct relation between the institutional setting on the one hand and the way in which value is expressed on the other hand.

Having recognized the importance of VALUES in explaining the advent of pop music in the 1950s and 1960s and other phenomena, the challenge now is to find a way to incorporate such insights in an economic theory. In the following I shall suggest a way of developing this theoretical argument further.

IV

VALUES, Institutions, and Values in Economics

In everyday life people recognize that socio-cultural values play a critical role in economic processes. When people want to make sense of what happens in their surroundings, or want to understand why people do certain things, or even to make decisions themselves about what they should do, they invoke what might be called 'values.' For social scientists to use this common sense notion of value in a more circumscribed and precise manner is an almost insurmountable step to take. Economists have more difficulties taking this step than other social scientists seem to have (see Klammer 1998). Scholars such as Hofstede (1980), Inglehart (1990), Kluckhohn (1962) have taken this step earlier. The influential economic theorist Frank Knight (1982) also readily acknowledged the importance of what he has called 'value deliberation' in understanding human behavior. "Human beings are at once, physical, biological, intentional and social entities" (Hands 1997, p. 199): any simple methodology would not be able to account for their complexity. They have shown that, although thinking in a way that pays heed to socio-cultural values requires flexing the mind almost to the extent of unlearning many things that scholars in economics are taught to take for granted in their formative years as undergraduate and graduate students, it is possible to take exactly that step. So when I propose to study the advent of pop music in terms of socio-cultural values and the way these come to be expressed, I realize that some readers may be surprised. But when other approaches have not been successful, when other phenomena have been studied and explained by taking this perspective, and when people themselves plausibly understand their behavior
in terms of expressing socio-cultural values – however implicit, circumlocutory and sometimes far from fully conscious – why can a scientific tack not be illuminating? My suggestion here is to explicitly incorporate socio-cultural values in an economic theory, rather than be implicit about it such as institutional and social economics have been thus far.

People consume certain kinds of music because the music expresses certain kinds of basic socio-cultural values they are attracted to and want to express. In what people consume, they express who they are or want to be; consumption (partly) creates identity, consumption is a way of communicating messages to the relevant ‘audience’ (cf. Cosgel 1992, 1994). For music this seems true in the extreme, and especially for adolescents one would think so. However, one’s liking for particular kinds of music is a very powerful way of communicating one’s basic, socio-cultural values for almost all people. National anthems are an example showing that not only adolescents are prone to communicate their values primarily through the music they like. Music and its social / political environment are closely related (Goehr 1994).

There is considerable confusion concerning the term ‘value.’ ‘Value’ is a central notion in ethics, economists equate it with ‘price,’ and some other scientists think of normative science when the word ‘value’ is used. I propose, therefore, a way of clearing this confusion somewhat. A distinction between VALUES (in capitals) and values (in italics) seems necessary given the widespread confusion. I would like to use the expression VALUE to denote strong underlying socio-cultural convictions many people in a group or in society hold, most of which would be considered of an ethical or philosophical nature. These include matters of justice, beauty, love, freedom of the will, social standing and behavior, and personal identity. The VALUES expressed in an institutional setting are likely to change over time (see e.g. Campbell 1987). Values on the other hand are the terms of trade/exchange established in society for specific goods or services. A value need not be a price – it can be the importance attached to having (a) close friend(s) or children (Zelizer 1985, see also 1979 and 1997). Institutions, or a coherent institutional setting mediates between VALUES and values. The distinction introduced is probably not exhaustive; different interpretations of the term ‘value’ are possible and needed, perhaps. The distinction is, however, rooted firmly in institutional economics and sociology, albeit that it has not been emphasized to the extent that I propose
Figure 1

The Social Value Nexus

VALUES

| Institutional Setting / Institutions |

Values

here. Cultural theorists Wildavsky (1987) developed a similar perspective. His case in point is people’s voting behavior, arguing that the preferences for politicians or political points of view depend on the institutional setting. Figure 1 graphically presents the argument in this section. Since the explanation for the value of items is a social one the figure I call “The Social Value Nexus.” Figure 1 is suggested as a general and flexible framework for analysis. By no means do I want to give the impression that the framework is all-encompassing or that it necessarily excludes other approaches to, for instance, the study of the advent of pop music. I have, of course, argued for the particular approach as summarized in Figure 1, and will elaborate on it. Another impression I would not like readers to have is that the framework I suggest is a deterministic one. Note that I have printed lines instead of arrows: change can and does go in both directions. Small, incremental changes in an institutional setting can, for instance, result in a tension in the relation between VALUES and institutions. Such a tension could set in motion a process wherein a community’s VALUES change. In many cases, however, and certainly in the context of the research reported in this study, the institutions change in response to changes in (the constellation of) VALUES.

One of the few schools of thought in economics that takes basic underlying VALUES into account is that of institutional economics (see Hodgson 1993, Samuels 1995). With regard to the theory of institutional change, I can point to some important work by scholars such as Böröcz
(1995), Bush (1987) Knight (1992) and North (1990). Neale (1987) has provided a characterization of an institution to which most appropriate in the study of the advent of pop music. Neale says that when (1) there are a number of people showing (2) the same kind of behavior in (3) similar situations, (4) each justifying or explaining their behavior in the same way, an institution exists. Condition (4) points at VALUES that underlie people’s behavior, and is thus crucial to the argument. It goes without saying that an institution concerns social phenomena. Therefore, it should be possible to change the institutions. The use of money is an example of an institution. An institutional setting is the specific combination of a number of institutions. A market is an example of an institutional setting, combining a number of institutions among which the institution of the use of money. A bank may be seen as an institution, the American banking system as well; institutions can be studied at different levels of analysis (Neale 1987, p. 1188). The way in which values are expressed – prices are one example, but there are more ways – differs between different institutional settings where different VALUES are expressed. In Walzer’s (1983) terms, different institutional settings – representing different VALUES – constitute separate ‘spheres of justice’. In a similar vain, Hutter (1996) talks about ‘plays of meaning,’ arguing for a theoretical perspective that understands value as constructed in a social context where people interact with each other in a structured manner, according to certain ‘rules of the game.’ Klamer explores these issues as well (see Klamer 1996b, 1998).

V

Values in Pop Music

To explain the advent and value of pop music, a similar approach is needed. An important thing to note is that it is not just the “content of the music performed” that changes when VALUES expressed in music change, as DeBoer (1985, p. 54) asserts. The complete organization, economically and socially, of the music industry changes as well. Content and form can not be separated.

From Frith’s many publications on pop music a picture about the consumption of music emerges that underlines the idea that people's expression of socio-cultural values in their identity should be understood to understand the meaning of it to its fans. Especially by using pop music
we “create for ourselves a particular sort of self-definition” (Frith 1987a, p. 140). The teenager consumes conspicuously - particularly pop music is a means of expressing identity, of the socio-cultural values or beliefs adhered to (Frith 1983, p. 183). An ‘us’ and a ‘them’ are simultaneously constructed (Frith 1987b, p. 98). Authenticity and independence are important among the socio-cultural values people want to express through pop music: “the rock aesthetic depends, crucially, on an argument about authenticity. Good music is the expression of something - a person, an idea, a feeling, a shared experience, a Zeitgeist” (Frith 1987a, p. 136, italics in original). Authentically expressing feelings is an important part of pop music, which it takes from the black music that were part of its roots (Frith 1983, p. 17). In an article where Frith addresses the question of why songs have words and, consequently, how songs get meaning, he makes the connection between the expression of such socio-cultural values on the one hand and institutions on the other: “in analysing song words we must refer to performing conventions which are used to construct our sense of both their singers and ourselves, as listeners” (Frith 1987b, p. 97, italics in original).11

Although the institutional setting (with a particular consumption pattern as a result) reflects VALUES that underlie it, there are likely to be more ways in which such VALUES could be reflected. For somebody to explain the existence of an institutional setting, showing that it expresses certain VALUES of its participants is necessary, though not a sufficient. The emergence of any particular institutional setting should be explained in the light of particular historical developments leading to its emergence. Things might have turned out different, but they did not. Ballantine (1984) presents an example of a study that can be read as a deterministic view on the relation between VALUES and the institutional setting. He believes that the explanation for the emergence of rock or pop music is solely in the fact that it expressed protests against the establishment at that time. Protest could of course have been voiced differently. We need a historical and institutional perspective to explain why it did not.

Showing a liking for the music of Bill Haley, for instance, expresses one’s underlying VALUES of wanting to be independent from others (especially your parents), trying to find one’s own way, experimenting, wanting to express and enjoy yourself etc. Jonathan Friedman (1994, p. 169) puts it thus: “Acts of consumption represent ways of fulfilling desires
that are identified with highly valued life styles. Consumption is a material realization, or attempted realization, of the image of the good life". A particular way of expressing one's VALUES institutionalizes into a pattern of consumption (cf. Campbell 1987), but also in a way of performing, a way of communicating with the audience, the use of instruments, technology and media. Goehr's (1994) example of the composer Hanns Eisler attests to this point. There may be different ways conceivable to express that you would like others to think that you are an independent being (etc.), but the most effective way in extant circumstances may be by showing a liking for Bill Haley. Only then is the value of a particular thing – CD, T-shirt with print, etc. — established. In the market, or in another institutional setting, the terms of trade, the worth of some particular thing, the value (price) of it is established.

The earlier noted difference in the speed in and extent of the acceptance of pop music between Belgium and the Netherlands (Kleijer et al 1992) is, in this light, most likely explained in large measure by differences in basic socio-cultural values. Lutte et al (1969, especially p. 28), in a study based on extensive empirical field work that is in a way a precursor to Inglehart's (1990) and Hofstede's (1980), show that these cultural values are quite distinct in different European countries for the relevant time period. Inglehart's argument is that there is a gradual, age-group related shift away from materialist towards post-materialist basic values. The movement has all kinds of consequences, among which are economic consequences. Table 1 reproduces some of the results that Lutte and coworkers found in their study.

The table could give the impression that youth in the Netherlands do not care about anything, have no values they adhere to, that they are cynical nihilists. Such an impression arises because of the way in which Lutte et al. have set up their research. Socio-cultural values younger people would subscribe to then were different from those the researchers (older people) found important. Rephrase them and they come to have the positive connotation that younger people ascribed to them. A further note for caution is due in relation to the interpretation of the terms. We may now interpret them different from how younger or older people would interpret them then. "Independence," for instance, might have been interpreted as 'being an autonomous person,' but might also refer to not being financially dependent on others. The table nevertheless contributes to the kind of
Table 3
VALUES and Character Ideals in Western Europe, 1965a

<table>
<thead>
<tr>
<th>Character traits/VALUES</th>
<th>Countries</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Netherlands</td>
</tr>
<tr>
<td>(1) Sense of duty</td>
<td>18.7</td>
</tr>
<tr>
<td>(2) Responsibility</td>
<td>7.6</td>
</tr>
<tr>
<td>(3) Independence</td>
<td>4.2</td>
</tr>
<tr>
<td>(4) Sedateness</td>
<td>5.3</td>
</tr>
<tr>
<td>(5) Forbearance</td>
<td>2.4</td>
</tr>
<tr>
<td>(6) Sociableness</td>
<td>24.8</td>
</tr>
<tr>
<td>(7) Simplicity</td>
<td>6.4</td>
</tr>
<tr>
<td>(8) Exemplary figures,</td>
<td>celebrities, abstract ideal figures, abstract ideal figures, abstract ideal figures, heroic figures</td>
</tr>
<tr>
<td></td>
<td>friends, abstract ideal figures, abstract ideal figures, abstract ideal figures, heroic figures</td>
</tr>
<tr>
<td>(9) RELIGION</td>
<td>2.0</td>
</tr>
<tr>
<td>(10) FAMILY</td>
<td>4.2</td>
</tr>
<tr>
<td>(11) COUNTRY</td>
<td>0.5</td>
</tr>
</tbody>
</table>

* Percentage of young people mentioning these ideal Character traits as important, or subscribing to these VALUES (with the exception of (8)).

Source: Lutte et al. (1969, p. 28).

explanation for the advent of pop music proposed here, although it is not more than an indication. Despite higher income for young people in Belgium, they did not opt for the newly emerging pop music because their cultural values were not conducive to it. The Dutch youth was more individualistic (Kleijer et al 1992, p. 389), less likely to conform to the generally accepted frame of reference. The majority of the Dutch youth did not adhere to family, patriotic and especially religious socio-cultural values (Lutte et al 1969, p. 28; Knust 1989, p. 88; Righart 1995). In some respects, the Dutch youth had a more postmaterialist perspective on life, to use Inglehart's terminology. On all these important counts they score considerably lower than their fellows in surrounding countries such as Belgium. The people chosen as ideal figures in surrounding countries are rarely the ideal figures whom Dutch youth aspired to be, for instance (Lutte et al 1969, p. 35). Ideal figures to Dutch youth tended to be celebrities and
friends (Lutte et al., p. 153), most of whom are of the same age as the people then surveyed. According to Righart (1995, p. 69) the lengthened period for young people to be educated has strengthened the process. More young people stayed within a peer group of similarly aged people for longer time periods then ever before, having a relatively sheltered life among equals.

Thus, in the late 1950s, in many western countries, Bill Haley was the (institutionalized) symbol of autonomy and independence for many – especially young – people in the Dutch and in other societies. By buying his records, listening to him on the radio and subsequently talking about his music with friends, you could show yourself to be such an autonomous and independent person, you showed to have the VALUES that mattered.

VI

Concluding Remarks

By consuming pop music, people want to express who they are, to which groups they belong, what their identity is. This is at least what I have argued for here. People's identity, however, is not strictly individual, but is highly influenced by the underlying socio-cultural values (VALUES) that live in a society and the way in which these are 'objectified' or institutionalized. It thus is no surprise that mainstream economics cannot explain phenomena such as the advent of pop music as long as it does not take these VALUES into account. I claim that institutional economics can take them into account in a realistic way and propose a conceptual framework for doing so.

The advent of pop music does have known sources and did not come out of the blue, but it was sudden and had important cultural as well as economic consequences. Economics, as generally understood, does not have an explanation for the phenomenon. The reason is that in reality people form preferences in a social environment where they want to express an identity, they want to express certain basic socio-cultural VALUES. They want to show to others and to themselves who they are, for instance by means of the consumption of pop music. Since relevant others must recognize and understand the message that people express by consuming pop music, there will at any time only be a limited number of ways of expressing that will become institutionalized. Economics needs to take
account of such institutionalized ways of expressions of VALUES to understand a phenomenon such as that of the advent of pop music.

Notes

1. Figures indicating the quantitative impact on consumption patterns in the Netherlands – particularly about the time spent on listening to the radio, the number of programs with popular music, and the sales of recordables (singles and LPs) – can be found in Dolfma (1999, especially Chapter 2).


3. In a recent publication, Becker (1996) has explained and elaborated upon his theory. Notions of personal and social capital have explicitly been incorporated into the framework (cf. Dolfma 1997b).

4. It probably needs no reminder that working class milieus were the first to embrace pop music. See Kleijer and Tillekens (1990) for the Dutch situation.

5. In a volume edited by Appadurai (1986) both empirical and theoretical studies are collected discussing ‘the social life of things’.

6. Even in nominal terms the prices for transistor radios, but for record players and tape recorders too, mentioned in advertisements are much higher than the prices for these same machines now.

7. Peterson’s approach is not representative for scholars taking a production of culture perspective, but he is not alone in his endeavors either. Diana Crane (1992) develops ideas that are similar to Peterson’s. Discussing and comparing the different approaches in this research paradigm is beyond this chapter. I will restrict myself to discussing Peterson’s (1990) article because here he takes on almost the same problem as I do.

8. In Dolfma (1997b), I survey and classify economic value theories through the history of economic thought. I argue for a social value theory, indicate that similar suggestions have been made in the past, and explain why such a position is more feasible presently than it was earlier.

9. Wealth and leisure are, of course, not objectively given, either.

10. The distinction between VALUES and values introduced here is an attempt to clarify the discussion. VALUES are socio-cultural beliefs that may people in a society share; a value is the importance or worth somebody attaches to a single – material or immaterial – thing. In the next section I will elaborate on this distinction at greater length.

11. Cf. Manns (1994). Frith (1987b, p. 101) says further that interpretation of songs and song words should at the same time be open to some extent - open for interpretation by both singer and listener.

12. Institutions at both the demand and the supply side, which are thus closely related, are shaped by such VALUES. This view is compatible to Fine and Leopold’s (1993) concept of the ‘system of provision.’

13. Campbell (1987) also talks about ‘ideal characters’ and says that which ideal characters are chosen strongly depends on cultural and historical circumstances, with important economic consequences.
References


