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Markets, materiality and the 'new economy'

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Introduction

The contemporary 'cultural turn' in thinking about economic processes has been deeply bound up with narratives of 'dematerialisation'. We might start from Veblenesque stories of status symbols, and proceed through semiotic stories of ideologies and codes, through tales of post-industrial societies and service economies, through post-Fordist segmentation and lifestyling and finally on to knowledge, information or 'weightless' economies, 'new economies', global brands and digital commodities. Indeed, Mark Poster's *What's the Matter with the Internet?* (2001) declares a turn into 'linguistic capitalism', and his title clearly identifies the issue at hand: the dubious materiality of contemporary social reality. The story is always the same: the processes, factors and outputs of economic processes are to be understood – increasingly – in terms of meanings, signs and cultural processes.

'Dematerialisation', however, rests on a dubious distinction that has plagued much social theory: the distinction between objects and signs. This distinction equates 'materiality' with the physicality, or physical properties, of goods and social objects. It then contrasts this physicality with a 'something else' – meanings, signs, culture, desires, identities, services, information or knowledge. These are then regarded, firstly, as non-physical (hence having quite different kinds of social properties); secondly, as additive (a later accretion or layering of physical reality); and, finally, as historical (things have become *more* immaterial, or immaterial things have become *more* socio-economically central today).

The argument proposed in this chapter is that characterisations of 'new economy' that are based on the idea of dematerialisation are problematic because the distinction on which they are based misrepresents the issue of materiality. A historical account of socio-economic change which argues that 'things' have become 'less material' assumes that they were somehow more, or more transparently, material in the past, an argument that is contested by most research in areas such as sociology of consumption, material culture and science and technology studies. Indeed, as the next section argues, notions of materiality based in the object–sign distinction are generally not properly social or historical accounts at all: they are propounded in relation to ethical, philosophical and methodological concerns. What is required is a more adequate social ontology: an account of what I will call 'processes of materialisation', of the social processes by which things come to be treated as things in the social world – whether they are commodities, brands, technologies, or information.

From this perspective, 'materiality' is not a matter of physicality but rather of what might be called 'social thingness', rather close to the Durkheimian notion of 'social facts': under what conditions are we able to treat things in the world as objects – durable, stable, external to individuals, with determinate properties and relations to other objects? In answering this kind of question, we cannot look to the *a priori* physicality of things to guarantee their social materiality; nor does the meaningfulness of things necessarily render them unstable or immaterial. To the contrary, this question points us to the social processes and conditions through which things are stabilised as social materialities, or destabilised, reconfigured, problematised. If 'dematerialisation' has any meaning it is not as a condition of becoming 'merely a sign'; rather it is a condition in which the social agencies and processes that previously held an object stable – held it together as both physical entity and as meaning, inseparably – no longer do so. And it is the reasons for the changes in these conditions – not supposed changes in the nature of social objects themselves – that needs to be understood.

Hence, the third section of the chapter tries to think through current socio-economic changes – such as the idea of a 'new economy' – in terms of transformations in these conditions of stability and instability, in the processes of materialisation that characterise the contemporary landscape. This might be called an exercise in 'commercial ontology': how might we understand the changing materialisations of transactable objects? How might we understand the conditions of their materialisation in terms of stability and destabilisation? The conclusion will be that many widespread claims about 'new economy' may well be correct, but only if we abandon the notion of dematerialisation that arises from the object–sign distinction. Indeed, we can give better accounts of these developments through the filter of stabilisation–destabilisation: it is not that commercial objects have become more like signs, but that things in general have become sites of intense social and economic contestation such that they have become increasingly provisional and incipiently unstable as materialities.

Materiality, physicality and stability

The first task is to understand the various strategies used to 'black box' goods as stable objects within economic and cultural theory, and to understand what kind of game is being played through those strategies. In both economic and cultural theory, the social object oscillates wildly between an absolute, pregiven 'thingness' and an equally absolute indeterminacy, when it is treated as a sign. It is as if objects have to be 'black boxed' for fear that, once opened, they will behave more like a Pandora's box, issuing formless spectres.

Goods and markets in economic thought

It is in relation to markets that goods are most obviously conceptually stabilised within economic thought. (For a full discussion of the argument presented in this section, see Slater, 2002.) In everyday language, we define markets as markets *for* particular goods: there are markets *for* consumer electronics, or cars, or clothes. Similarly, marketing directors or financial analysts are concerned with futures markets or housing markets. And this is fundamental to both conventional economics and critical economic discourses: markets are delineated by virtue of their containing goods that are considered similar enough to be substitutable for each other and hence can be understood as competing with each other. The very notion of a market therefore depends on an anthropology of goods – the boundaries of markets follow the categorisations of things. But it is a frozen anthropology. Within economic analysis categorisation is not a process but a presumed background that provides a stable framework within which market analyses can be carried out. To some extent, this is a methodological manoeuvre that is supported by a variety of methodological devices which allow the analyst to take 'things' for granted. 'Utility', for example, abstracts from cultural processes to a quantitative common denominator. Demand curves, frozen in time, erase all changes in the properties of goods and in the nature of needs and desires (Lancaster, 1971). The conceptual and disciplinary distinction between formal and substantive rationality permits economics to detach formal analysis from any knowledge of changing consumption cultures, and allocates the latter to external disciplines such as sociology, psychology and anthropology (Fine and Leopold, 1993; Slater, 1997).

At the same time, however, such manoeuvres are clearly tied to an underlying ontology, even a cosmology: the conventional approach is to regard the commercial object as an entity defined by a bundle of need-satisfying properties, glossed as 'utilities' or 'use-value'. It is therefore part of an essentially relational formulation – a relationship of 'use' – and therefore something that only makes sense as a subject–object relationship. Indeed, the framework of economics is more akin to epistemology than ontology: it concerns the use of informed reason to manage an object world. It is hardly surprising that an issue which has fatally dogged Western philosophy – the separation and then attempted reconciliation of subjects and objects – is not going to be resolved by economists. They instead veer between two unsatisfactory alternatives both of which bracket processes of materialisation. Firstly, *naturalisation* – needs and goods are effectively treated as natural, rational, given or taken-for-granted; assumed needs are associated with the assumed properties of things. Secondly, *subjectification* – needs and objects are both matters of perception and opinion.

Social materiality is detached from social process, either by taking it as given or by rendering it arbitrary. Each strategy achieves a stabilisation of goods as things that establishes the market as a stable methodological object of knowledge and a presumed framework of normative social action. And yet this assumption of stable homogenous goods runs counter both to common sense and to actual economic practice. Firstly, we know not only that goods change over time in a physical sense (innovation), but that perception of goods changes, and along with this our sense of 'what is the same as what'. Hence markets are not stable structures if only because our anthropology of things is not a stable structure but an evolving and conflictual cultural dynamic. Moreover, economic actors – today functionally differentiated into institutions such as advertising, brand consultancy, design – may place the conjoint redefinition of goods and markets at the very centre of market practices: marketing, for example, is specifically dedicated to altering relations of sameness and difference for competitive advantage. Far from competition presuming the stability of things, destabilisation is central to conceptualising and conducting competitive strategies.

Secondly, aggregation is a fiction: only if there was an exact fit between every individual need and every good could we regard any collection of goods to be *the same* for every consumer (Klein and Leiss, 1978). This is anthropological nonsense: people need to interpret goods (and usually do so collectively, not individually) in order to assimilate them into their consumption. To the extent that economic actors – producers or consumers – are indeed able to aggregate things, it is precisely on the basis of the cultural reasoning through which they establish (and dispute) provisionally stable categorisations.

This is not to say that goods and their categorisations are always unstable and that therefore market structures, enduring competitive relations and meaningful aggregation are impossible. There are everyday reifications that fit economic analysis reasonably well (for example, a financial analyst looking at the car market in global terms; or a consumer negotiating a category such as chewing gum). We need to understand both stability and destabilisation, and the conditions, processes and agencies that structure their relationship. The point rather is that the instability of goods is always an inherent property of their social being, and can be mobilised by economic actors as a resource in their production, exchange and consumption. The problem is that the assumption of stable goods and stable markets – inscribed in the very definition of a market – blind us to the dynamics of stabilisation and destabilisation.

Cultural theory

The stabilisation of things, therefore, needs to be understood as a conceptual and practical strategy rather than in terms of stable physicality, or the loss of stability through loss of physicality. Analysts and actors are engaged in strategic games of constituting and deconstructing social materialities. The objectifications that arise are always provisional and contestable; their durability resides in a broad range of social conditions and balances of social powers. It cannot be guaranteed by physicality; but neither does 'culturalness' necessarily entail destabilisation or the loss of social materiality.

The relationship of physicality to object stability in cultural theory parallels moves along the axis of the distinction between 'objects' and 'signs'. Like the distinction between naturalisation and subjectivisation strategies in economic thought, 'object' and 'sign' denote two different ways of fleshing out, or filling up, the empty space left by the qualitative indeterminacy of objects and needs. However, the object–sign distinction also emerges out of a longer and relatively autonomous history of thinking about social objects. It is generally bound up with moral and philosophical critiques rather than analyses of social processes. On one side of the object–sign distinction there is the presumption that both things and needs *can* arise from a natural order, in which they directly and transparently correlate with one another. This posits a Gold Standard in object relations – usually located in a romanticised organic community of the past – in which objects could be construed as natural entities (or humanly produced ones with natural properties) that functionally or rationally answer to needs which are themselves regarded as natural. If these needs are not defined as actually physical (food, shelter, clothing), they are defined as if they were (for example, a natural need for love, security, specific social skills). This view begins with a long pre-modern moral–religious tradition of asceticism and restraint (for example, critiques of 'luxury': see Sekora, 1977; Berry, 1994). It is continued into a Romantic tradition that posits a past or future harmony of objects and needs outside of the diremptions of capitalist modernity (for example, Marx's 'natural metabolism' between man and nature posits an ideal social formation based on use value). We can similarly cite what Veblen (1898–99, 1990) termed the 'instinct for workmanship' (a functional transformation of nature in relation to real needs that constitutes his ultimate critical standpoint on the 'invidious' sociocultural system of industrial manufacture and consumption); Marcuse's 1964 critique of false needs that arise from the commodity form; or Bourdieu's 1984 appeal to a 'taste for necessity' that sentimentally stands the poor in opposition to the symbolic violence of bourgeois culture. (Barthes 1986 uses the same argument in the postscript to *Mythologies*.)

It is against this backdrop that 'signifying properties' of goods (and that motility of needs) might be regarded as both separable and relatively disreputable: as signifying, needs and goods lose their anchorage in a moral–existential objectivity, and become the playthings of commodity forms, status competition, ideology, ethical relativism. The common denominator is invariably a charge of arbitrariness. The stability of objects and needs is not studied as a social outcome but is asserted as a normative standard; the presumed dematerialisation of contemporary objects and needs, on the other hand, is investigated as a pathology. Even in relatively neutral constructions of this distinction (for example, Douglas and Isherwood, 1979) the informational uses of goods can be analysed entirely separately from their functional order.

Of the many problems with the object–sign distinction, the one that most concerns me here is that it presupposes the answer to the very question it is meant to be asking: what counts as an 'object' or a 'thing' or a 'function' under specific social conditions? It is not simply that the very notion of a 'function' has to be meaningfully constructed (Sahlins 1976 still provides the most comprehensive statement of that position); or that 'cultural' entities are capable of both highly durable and objectified materiality. The basic problem is that adopting the standard of brute physicality produces an oscillation between crude things and hyper-sophisticated signs. Baudrillard is probably the most extreme exemplar of that analytical structure: his rigorous critique of the mythology of use-value results in the loss of all materiality from the social world and the reduction of all sociality to the arbitrary play of signification. The infamous result is a vortex of signs, or an ecstasy of communication, that precludes any object stability, any possibility of social materiality in the sense employed here.

What is lost in-between objects and signs are the socio-cultural practices by which things are constituted and recognised as things in the first place. Much like the subject–object relations that characterise economic thinking, the object–sign distinction is essentially epistemological. The questions that concern it are not about the processes by which we make our world but those by which we can guarantee correct knowledge of it: to what extent are object relations governed by a correspondence between the real properties of physical things and the real needs of humans? To what extent are people capable – in pre-modern times, or within consumer cultures, or 'after the revolution' – of functionally subordinating the things of the world to their human projects? (See Lash 1999 for a call to move from epistemology to an ontological perspective concerned with how things are 'grounded' in lifeworlds.)

Black boxes: conceptual and practical stabilisation

As we have seen, there are diverse of motives for treating social objects as 'black boxes'. This bounding of the object has a philosophical status (it marks off subjects and objects, and identifies objects in terms of their 'bundles of properties'); it has an ethical status (it is a way of thinking about correct and incorrect objects, needs and uses); and it has a clear economic function (it marks off objects as discrete, singularised and therefore transactable entities [Callon, 1998, 1999, 2002]).

We might contrast this situation with alternative frameworks such as the perspective of material culture and objectification within anthropology and consumption studies (for example, Miller, 1987; Strathern, 1990), and science and technology studies derived from Latour and Callon. What science and technology studies has been particularly good at demonstrating is the complexity and heterogeneity of elements that hold together these black boxes (and which spring out when we open them), and their clear irreducibility to an object–sign distinction. 'Black boxing' means treating social objects as finalised entities with fixed boundaries that cut them off cleanly from other objects and social processes on their outside and that endow them with a taken-for-granted 'inside' that is assumed to account for their shape and stability. However, when we open the black box, or crack the shell that seemingly contains the object as a physical entity, we do not suddenly find signs and meanings (they were always there) but rather the heterogenous social networks that held the object in shape. For example, when we talk unproblematically about everyday objects like cars or pens or utilities (water or gas or electricity as reliable 'objects'), we 'black box' a social entity in a physical form. The example of utilities indicates how dubious this physicality is: we know that in turning on the cooker, we are not simply consuming a physical entity but rather we set in motion a socio-technical device (Callon, 2002) that stretches from, say, the North Sea through pipelines, regulatory bodies, market structures, ownership structures, retail practices, advertising, expert discourses, and much more. We also know that there is a liklihood that complicated definitional issues will arise at the boundaries of these objects and their uses. The idea of black boxing indicates that complex interwoven social systems of provision (which mix the physical and the non-physical indiscriminately) and potentially disputable categorisations of social things can be crystallised in the form of stable objects and needs. A car is not a car because of its physicality but because systems of provision and categories of things are 'materialised' in a stable form. Conversely, these stable forms can be destabilised in various ways, which does not mean they become somehow less physical but that they might be put together differently.

A useful analogy might be made with the semiotic concept of *découpage*: the idea of a stable object – like that of a stable signifier – involves making a cut or incision in the world, cutting out a set of relations and oppositions that are in reality continuous, and could be divided up quite differently. Destabilisation (for example, coming up with the idea that electricity companies can sell gas) means returning to the continuity of systems and relationships and trying out alternative *découpages*. The problem with black boxing – as the analogy with *découpages* should suggest – is not that things and signs are never stabilised. As already suggested, they very definitely are. The problem is in hiding the process of production, and assuming that this stability arises from the object itself rather than from the agencies that cut it out and bind it together in particular forms. The further problem is that we have to understand the way in which actors use the possibilities and conditions of stabilising and destabilising things in structuring their actions, such as their competitive behaviour.

As already noted, this does not mean that social objects are always unstable. We are constantly able to black box them in using or buying them on often quite stable markets. The move of opening or closing black boxes is a matter of the actor's perspective, intentions and projects, not the nature of objects. This is evident within corporate practice. An advertising or marketing executive may spend a great deal of time thinking through the definition of an object and the structures that stabilise it precisely in order to destabilise the good and re-stabilise it in an optimal position within competitive and consumption relations. What should this mobile phone, for example, be sold as? A gadget, a status symbol, a practical necessity, an integral part of mobile information systems comprising PDAs, Internet and integrated messaging services? Sales staff may reconfigure the object in relation to each prospective customer.

Yet looked at from the perceptive of the corporate boardroom, or of a management consultancy, the mobile phone and its market may be considered relatively stable entities – indeed, as one part of an even broader context of continuity, the consumer electronics market. That is to say, there are real processes of abstraction as we move to higher levels of strategic planning at which specific markets – and the products they contain – can be regarded as stable and self-evident for all practical purposes. At that level, markets are also held stable by broad structures which are resistant to the interventions of single-market actors, and are therefore treated as given environments: for example, distribution and retail infrastructures, or the market categories of finance capital. We could in fact isolate a series of market levels – from corporate planning through brand management (dealing with broad markets) to product management (dealing with market segments), each of which treats the lower levels as givens. And yet the black box may be opened at the most global of levels, too. For example, we are currently witnessing the deconstruction of the very idea of a telecommunications market at the most global and macro of levels, a process through which even the most strategic players must question both objects and market structures. The convergence of mobile phones with PDAs (personal digital assistants) potentially creates new objects that realign older ones; new wireless interconnections between objects (for example, Bluetooth) potentially reconfigure systems in which they are embedded; unforeseen technical potentialities reconfigure competition, pricing and market frameworks (for example, Internet telephony, empowered by broadband, potentially merges all communications within a single information flow). Finally, we need to recognise that the 'black boxing' of, say, the mobile phone market by a financial analyst is not a neutral conceptual move: it has a determinate effect on the stabilisation of that market, of the individual products it 'contains' (i.e. which define it), and on retail structures and consumer practices.

Old and new economies: opening Pandora's Box

The preceding argument has aimed to show how current commercial ontologies bracket processes of materialisation. However, the issue of materialisation – or of stability–destabilisation – is not specific to any particular period or society. It cannot ground a historical argument. Trobriand islanders participating in a *kula* ring are as exercised by the materialisation of objects as stable social entities as are dot.com capitalists. They both have to deploy a total social repertoire of practices and institutions to ensure the *objectness* of what they transact. Moreover, we cannot distinguish *kula* rings from dot.coms on the basis of increasing role of signification or culture: the materiality of all their objects involves the same heterogeneity of elements and regulatory structures, in which physicality and meaning are not usefully separated out.

If we want to return to the issue of 'new economies', what we might look for – instead of an altered social ontology – are new forces and principles of stabilisation and destabilisation, and new ways in which issues of stabilisation–destabilisation are understood and reflexively incorporated into social and economic action. What is 'new' today, I want to suggest, concerns the extent to which the process of materialisation, and hence the dynamics of stability–destabilisation of objects, has become reflexively institutionalised and instrumentalised as a premiss of economic action and organisation. We can re-describe vast areas of corporate and consumer behaviour in terms of the opening and closing of black boxes in the interests of either competitive gain or cultural reproduction. Put this way, we open up the historical question of what new social conditions have opened up that historical path. I want to put forward three developments – not exhaustive but illustrative – that might answer this question. None of these is a new idea, to say the least: they are the stock-in-trade of numerous theories of late modernity, post-modernity or new economy. The point of this discussion, rather, is to show that these developments build up a plausible picture of new conditions of social materialisation but do so without reference to 'dematerialisation' or the object–sign distinction.

Detraditionalisation and pluralisation of styles of life

We commonly characterise modernity in terms of the loosening of social and cultural structures that – in pre-modern times – were fixed by juridical, religious and traditional structures. For example, studies of emergent consumer culture emphasise a destabilisation of both status and lifestyle: there is a new fluidity to material culture, as well as a new pluralism that requires 'choice' and problematises the taken-for-grantedness of the objects, lifestyles and relationships that fill everyday life (for example, Giddens, 1991). Critics of post-modern and late modernity perspectives (for example, Warde, 1994, 1997; Gronow and Warde, 2001) have been correct in pointing to enduring continuities and routinisations of consumption, commodities and status/class in everyday life, and even to a lack of anxiety or even reflexivity in much mundane consumption. Nonetheless, even that takes place against a backdrop of flux and destabilisation. The situation is probably best described in terms of Simmel's dynamics of objective and subjective culture: modern subjects, confronting an explosive objective culture under conditions of increasing atomisation and impersonality, oscillate between enervation and indifference, or between reflection and habit, or even modernity and tradition; nonetheless indifference, habit and tradition all take on different meanings – and instability – under modern conditions. At the same time, this unfixing and pluralising opens up commercial opportunities, which further ratchet up the new dynamism. For example, there is a routinisation and spectacularisation of innovation – not just the shock of the new, but the routine expectation of the new – in commercial as much as in cultural modernism.

The destabilisation of commodities that is part of these developments has nothing to do with a change in the nature of goods. There could, of course, be nothing more 'signifying' than a pre-modern sumptuary regulation such as the sanctity of the king's deer or the reservation of certain colours and cuts of clothing to guild orders or aristocracies; but equally there could be nothing less fixed – either in itself or in relation to status distinctions – than the material range of foods or clothing today. We can use a simple historical example to relate detraditionalisation to commercial ontology and market structures. Political economists like Adam Smith, Ricardo and Marx regularly used corn and cloth in their examples of market analysis, and in doing so they treated these goods as self-evident, unproblematic and uniform: classic homogenous, substitutable and therefore competing commodities. To some extent they did this as neo-classicals would, bracketing the object in order to treat markets as given structures within which they could analyse quantitative relationships. At the same time, this is odd for a perspective which was otherwise so sensitive to industrial histories of innovation. The additional factor is that corn and cloth were, in early modernity, stabilised by considerably more than methodological strategies. Even where there was already considerable innovation in these goods, or the ways in which they were processed, sold and understood, they were held in place by a range of regulatory structures. To be clear: they were fixed by regulation, not by the cruder materiality or physicality of a temporally earlier, less opulent or less 'cultural' epoch. The Edinburgh corn market down the street from Smith was not filled with generic 'corn', but rather with corn that was divided into varying grades of quality and price, differentiated into market sectors; moreover, it was customary to divide the market into different conventional periods – marked off by the sound of the market bell – during each of which sale was restricted to particular classes of consumers. These classifications were matters of custom and right – that is to say, they evolved over histories and were sanctified by time. Hence, for example, E. P. Thompson's 1971 classic account of eighteenth-century battles over the moral economy of grain markets is largely about the attempt to retain time-honoured anthropologies of things that were deemed legitimate and ethical by virtue of their historicity. Similarly, every known pre-modern market has a history of market law, market policing, and market punishments, much of which concerned questions of adulteration, weights and measures and other time-honoured ways of fixing standards, hence of stabilising goods (for example, Braudel, 1982). Establishing the legitimate comparability of things such that recognisable and legitimate market relationships can obtain is never guaranteed by the body of the object; rather, the body of object is produced by legitimate regulation (for a contemporary Internet-based example of the stabilisation of transactable things through social regulation, see Slater (2000 and in press)).

We need only look to the (super)market shelves down our own streets today to see that, if we are no longer able to speak unproblematically about corn or cloth, it is not because of a crisis of materiality but rather a crisis of regulation. More precisely, regulatory structures are themselves plural and problematical, no longer stabilised by time or custom and therefore are themselves unstable, provisional and contradictory. To take but one obvious set of examples: supermarket shelves may contain organic foods, genetically modified foods, low-calorie and diet foods, frozen, dried or tinned foods, 'normal' foods from sources that are either unknown or (politically, nutritionally or otherwise) dubious. This fracturing of the object is obviously not just a matter of signs or brands: these categorisations are established and stabilised, or destabilised, disputed and redefined – as well as diversely understood – by a bewildering range of voices and institutions: legal and governmental regulators; scientific and expert voices with variable degrees of accredited legitimacy; consumerist associations; businesses and trade associations, consumer constituencies.

What differentiates today's supermarket from the corn market of Smith's day is a destabilisation that does not arise because goods are 'less material' but because the social materiality of the good has become a battleground under conditions of detraditionalisation and pluralisation. There is a wider range of alternative categorisations of goods; all categorisations appear provisional; and producers, retailers and consumers are all aware of both this diversity and its provisional character, and they see it as a legitimate object of their own interventions through which they stabilise or dispute categorisations of things.

Disembedded goods and system complexity

We could regard early modern corn and cloth as relatively embedded in a relatively enduring material culture. Although in the early modern corn market, corn could certainly be alienated as a commodity, its commodity status was considered subordinate to its status within material culture, which is precisely why, in Thompson's account, issues of moral economy and market regulation arose. By contrast, with the rise of modern market society, the spatial aggregation of dispersed local markets into regional, national and global markets means that objects have to be produced as disembedded and impersonal, non-local. Yet this is a highly contradictory process, and it accounts for much of the contemporary dynamic of object stability and instability. On the one hand, we might take the example of the rise of branded packaged goods (from the 1880s onwards, not the 1990s): here, we can see that the aggregation of national markets was often associated with the packaging and branding of traditional bulk commodities (for example, flour, or butter or bread). This allowed manufacturers' goods to be recognisable across localities but largely on the basis of traditional categorisations of things. And, indeed, as current debates about glocalisation indicate, it is a normal condition that goods sold across localities must nonetheless make sense within each locality, either because producers and retailers secure global understandings of their goods, or because they tailor their goods to particular localities, or because each locality is able to make its own sense of the goods.

At the same time, however, the disembedding of goods through long-distance trade means that fissures, conflicts and unevenness are opened up between the different levels and contexts in which goods are defined and categorised. Marketing discourses within producers and retailers must inevitably regard goods not as stable categories but as negotiable entities across highly diverse contexts. The material cultures from which these goods may originally have been drawn, or into which they are to be sold, become objects of instrumental calculation rather than sources of legitimate cultural authority. The point, again, is that this process cannot be understood in terms of a movement (or even a distinction) between the physical and the symbolic. An embedded good is held in place by both physical and symbolic structures, just as a disembedded one is. The issue is rather that the mechanisms by which goods are socially materialised – are given stable forms as objects and as categories – are distributed between processes, actors and interests operating at different spatial scales, and hence – yet again – the body of the commodity becomes both the site of contest as well as its prize.

Management and marketing organisation

The kinds of developments I have been examining are treated by economic and commercial actors both as problems and as opportunities, and, in devising strategies for managing them, those actors also intensify them. The potential destabilisation of social objects is both an inescapable condition of economic action and a way of reconceptualising business strategy. It has been a central axiom of management discourse since the mid-twentieth century (for example, the works of Peter Drucker) that businesses must not try to sell to consumers what they make, but rather to make what the consumer wants. We interpret this as reflecting a transition from a world of relatively stable material cultures and market relations (in which, despite innovation, manufacturers could think in terms of relatively self-evident object categories) to a world of increasingly unstable material cultures and market relations.

One symptomatic management and marketing term that responded to this situation is the ‘product concept’ or ‘product definition’, along with cognate terms such as differentiation, segmentation, positioning and market ‘gaps’ that related destabilised, problematic goods to equally unstable competitive relationships. The idea of a ‘product concept’ renders abstract the very idea of ‘a good’, making it a matter of definition and something that is produced through the employment of cultural calculation, information and communicative skills at the very centre of corporate strategy. But it is absolutely *not* contingent on the increasing abstraction, dematerialisation or cultural character of the goods themselves. Rather, ‘product concepts’ are modes of strategising, organising and integrating *everything* which has a bearing on the social materialisation of the object in any of its potential social forms. The product concept includes the material and symbolic properties of the objects as it emerges from design and production processes, from the understandings of retailers, sales forces and diverse consumer constituencies and from the full range of cultural intermediaries. It includes the competitive position of the good in respect of alternative goods and practices, and the financial, cultural and social parameters of (close and remote) competitive structures. And it includes the understandings of the good (as technology, sign, practice) within diverse material cultures. Strategising in terms of product concepts can mean trying out different definitions of the product to see which will be optimal in terms of particular consumer and competitive relations; and it can mean trying to assess which social and competitive relations are capable of being altered (through a range of marketing and other technologies) in order to optimally position a product that has been defined in a particular way. Finally, the product concept is a command discourse: it is a way of conceptualising and choosing the different things a given product could be; and it organises and integrates the corporate practices through which a firm attempts to materialise a given product in a given way by intervening in all the social processes through which things come to be given things. These corporate practices involve heterogenous technologies and objects of intervention (for example, design, packaging, perceptions, consumer practices, media environments, retail spaces) which have generally become the domains of functionally differentiated departments, firms and consultancies. These generally have to be co-ordinated – precisely what product concepts, as management tools, are meant to do.

This routine description of corporate practice – which can be fleshed out in terms of developments within firms, business schools and management discourses extending over at least a century – makes no reference to any shift in products from physicality to sign, however conceptual or abstract the process of defining these products may have become. Indeed, these developments build on potentialities in the nature of commodities which were as available in the eighteenth century as much as they are today (thus, Wedgewood's marketing operation, so often described as a proto-postmodern translation of objects into signs (e.g. by Wernick, 1991), could more easily be described in terms of product concepts as outlined here). The issue is rather that social ontology – seen from the firm's perspective of managing, in the interest of competitive advantage, the processes by which things are materialised as things – has become recognised as central to commercial practice, because it can no longer be taken for granted and because it has become acknowledged as the basis of more effective market behaviour. As a result, corporate intervention in these processes has become more reflexive, more rationalised and more institutionalised within corporate structures and divisions of labour.

The conclusion of this kind of analysis is quite simply that we do not live in a 'more cultural' economy, or a society of the sign, or an enculturated economy but that we do live in a world that has opened up the black box of the social object, institutionalising and rendering reflexive processes which were always incipient. Hence, we live in a world of increasing instability at the level of material culture, and one which is driven by strategies of stabilisation and destabilisation, by contests over the materiality of the social world itself.

An 'economy of qualities'?

Let me end with one final approach to these issues which is fruitful because it is both completely in tune with the analysis put forward here and yet retains some of the elements that I have been trying to critique. In a recent paper, Michel Callon (2002) offers the idea of an 'economy of qualities'. On the one hand, this refers to a process which is very like the process of social materialisation. Where this chapter talks of 'stability' and 'destabilisation', Callon talks of 'qualification' and 'requalification': Callon tracks the product through a gauntlet of institutional processes – within firms, regulatory bodies and consumer encounters with goods – over the course of which the object is endowed with different 'qualities', ever refined and contested between different parties. These qualities, moreover, are indiscriminate in respect of the physical or the symbolic; rather the focus is on the different technologies and metrics through which objects become determinate, and in terms of which they might eventually be regarded as more or less stable, though always provisionally (e.g., Callon distinguishes products – which denotes things in their relationship to the process of qualification–requalification – from 'goods', a term which connotes a sense of the object as more or less stable). Moreover, Callon is explicit about the implications of these processes for market structures: drawing on Chamberlin (1948), he argues that categorisations of goods are fundamental to market structures.

However, he does not delineate the full extent to which this has become operationalised as a competitive strategy within corporate practice; he is more concerned with the status of expert knowledges in the qualification–requalification process and hence with what he regards as the increasing reflexivity of markets as more explicit knowledges become involved. Callon (2002) regards reflexivity as the result (indeed the 'inevitable' result) of the usual move from a material or manufacturing economy to an economy of signs, or information, or services or – in this case – 'qualities':

> The key argument in this article is the suggestion that, in the economy of qualities, which can also be called the service economy, co-operation between scholars and economic agents and the constitution of hybrid forums [reflexive spaces of heterogenous debate over the structure of markets and goods] are inevitable, for the questions they raise are largely identical.

The bulk of Callon's analysis is concerned with the process of qualification (which could be treated, as in this chapter, in terms of a range of social conditions and practices), but Callon seems to wed this position to the conventional assumption that it is a historical change in the kinds of goods (services rather than manufactures) or in the composition of goods (more sign, less body) that produces increasing reflexivity and destabilised things. And yet this causal relationship is not substantiated. On what basis is it assumed that the greater importance of reflexivity and 'qualities' is the *result* of a move from manufacturing to services? Is it not just as plausible to argue in the other direction, that increasing reflexivity and qualification processes are the *cause* of changes in the kinds of goods or services that are offered over economic histories? Could it not be the case that increasing rationalisation of the possibilities inherent in all transacted 'things' (i.e. their potential destabilisation) – which arises from a vast range of contingent factors – has resulted in new processes of materialisation, or materialisation as a new and explicit battleground of market actors? Perhaps there appear to be more 'dematerialised' goods in the economy *because* the dynamics of stabilisation and destabilisation have become part of everyday social actions. And, finally, does not this form of explanation – reflexivity based on a move from goods to services – resurrect the distinction between objects and signs, or at least a division between the materiality and immateriality of objects, that Callon would everywhere else oppose? The problem is that Callon's account of historical change bypasses the central question (which the notion of an emerging 'economy of qualities' might otherwise partially answer): what are the diverse conditions under which processes of materialisation are carried out at different times?

The distinction between goods and services loomed very large in older accounts of cultural and economic transitions out of industrial systems into various formulations of a 'new economy'. It is obviously different from the object–sign distinction, but it equally obviously maps historical transitions on to a shift from material to 'immaterial' commodities, from the production and circulation of physical objects to the direct sale of commodified labour and social relationships. To be clear: the goods–services distinction is important and real in many respects. To use a standard textbook example, the different degrees of transportability of goods and services have a considerable bearing on foreign trade (although even here the distinction is not straightforward: not all goods are transportable – for example, buildings – and not all services are confined to a place – for example, insurance and financial services, particularly in the age of the Internet). However, from the perspective of materialisation processes there seems little reason to distinguish them. If, in the case of goods, we have to go beyond their physicality in order to consider how they become *socially* material, so in the case of services we have to go beyond their apparent intangibility to see how forms of labour and interaction (serving a meal, fixing a car) can be socially formed into discrete and transactable things.

Ironically, given that the movement from goods to services has grounded so many narratives of historical transition, we find that it is precisely movement in the reverse direction that was central to some of the earliest modern forms of commercialisation and marketisation, in the seventeenth and eighteenth centuries – the materialisation of services in the form of transactable goods. This is particularly clear in the commercialisation of leisure activities, which was crucial to early consumer culture. It was in this period that a range of sports (above all, horse-racing), entertainments (masquerades, pleasure gardens and local assembly halls) and spectacles (such as circuses and theatres) were transformed from amorphous happenings into socially material things: they were re-located to purpose-built, materially bounded spaces (for example, racetracks or assembly halls rather than streets or houses); they were given temporal boundaries (fixed starting and stopping times, with internal rhythms and event sequences that structured them as objects); and they were rendered transactable through the sale of tickets or subscriptions (which already presumed their materialisation as discrete social things). It is hardly a giant step to thinking about modern tourism in the same terms. These developments within services correspond closely to the dynamics of singularisation and separation that Callon maps out in *Laws of the Market* (1998) and 'The economy of qualities' (2002).

The idea that an event can be rendered a transactable thing is a prerequisite to its commoditisation and to the possibility of stable markets in these goods. However, there is another and complementary possibility, and this emerges from other aspects of Callon's analysis: that we need to think of goods far more in the way we think of services, in terms of their service-like properties. Callon, borrowing from Gadry, argues that in buying services we are in effect leasing for a limited time the effective properties of a socio-technical network. In taking my car to be fixed at a garage, I am purchasing the mobilisation of certain effects that I cannot or will not mobilise through my own direct labour. From the perspective of materialisation, this relationship depends on being able to 'cut out' (as in the semiotic *découpage*) or erect boundaries around (and then to black box) a particular set of socio-technical effects ('servicing my car'), so that it becomes a discrete and transactable event/object, access to which is regulated through an act of purchase. This is formally equivalent to buying a ticket to a sports event whose transactability and utility both depend on its ability to mobilise quite specific capacities, but not others (a recognisable football match, but not a riot, and hopefully not an American-football-style extravaganza). And we could (and should) apply the same analysis to objects (physical goods) which are supposed to be always already discrete and bounded. I do not buy a car in the first place because of its being-in-itself but because of its capacity to mobilise, by connecting with, a complex amalgam of socio-technical systems with emergent properties.

The potentials for stability and instability are in principal the same in the case both of goods and of services or events: as transport and communications systems change, as urban structures and regulations change, so does the car (for example, certain trips are rendered unnecessary by the Internet, or mobile phones change the way we co-ordinate urban movement). Conversely, the materialisation of the car in particular physical and meaningful forms may stabilise or destabilise surrounding socio-technical systems (car manufacturers, promoting their investments, buy and dismantle tram and trolley systems).

The difference between a good and a service, from the point of view of materialisation processes, is a very banal one. It is not materiality versus immateriality, or thing versus action or event, but simply (as Gadrey, 2000, argues) that purchasing a good normally means permanent transfer of ownership whereas buying a service is more like leasing or renting (I hire the restaurant chef to make me a meal; I do not actually buy him/her or the restaurant). They are different forms of alienating *things*, but the issue of thingness remains the same. The stability of goods and of services in terms of their perceived materiality does not arise from different properties of goods and services, any more than that of objects versus signs, but rather from precisely what concerns Callon (and this chapter): the contingent conditions under which social materialisation takes place, and the reflexivity and rationalisation through which economic and cultural actors avail themselves of the opportunities that arise from these conditions.

Finally, and perhaps ironically, it could be argued that far from it being the case that the goods–services distinction has *produced* increasing market reflexivity, the truth – to the contrary – is that reflexivity about stability and destabilisation in markets has been *eroding* the goods–services distinction. That distinction is possibly the first casualty, rather than the enduring cause, of contemporary economic change. Economic actors have become virtuosos in deconstructing and reconfiguring things, in giving any combination of social factors a form that is stable enough to allow transaction, at least for a limited period. This virtuosity is possible precisely because it does *not* discriminate between object and sign, between physical and cultural things – it is only concerned with materialising things as transactable entities.

As a final example, one might consider the most common exemplar of 'new economy' and dematerialisation: the brand. Without denying for a moment that a brand involves the production of a commanding and binding symbol, we also know that it is considerably more than that. The idea that Nike, for example, is exemplary of the 'new economy' because its property consists in cultural capital rather than ownership of factories is completely disingenuous. On the one hand, like any business of the last one hundred years or so, it is more than a brand: it is the organisation and co-ordination of a productive apparatus capable of delivering volumes of discrete material things (not just physical shoes but a stabilised social object: *Nike* trainers with all the design, physical materials, cultural processes and imagery which that involves). That is to say, Nike is a productive apparatus in precisely the same sense that Callon or Gadrey would define a service as the mobilisation of a socio-technical device (and which I would extend to all goods). And it is precisely the same deployment of product concepts as conceptual and practical organisations of production that I attributed to the emergence of management discourses over the twentieth century. Moreover, this form of organisation is not very different from the organising and re-branding role of retailers and mail-order firms either at the turn of the last century (which gave a considerable impetus to the whole development of branding) or in the 1980s, when they acted as pioneers of flexible production.

On the other hand, what has certainly changed, as I have argued, is both the increasing volatility of things – their shorter and more insecure social life –

and the extent to which corporate practices respond to this by institutionalising, intensifying and reflecting on this as a normal condition of business life and competition. Early brands – along with the very idea of packaging goods – were part of a process of stabilising goods (packaging, bearing a logo, dividing bulk commodities into discrete objects with uniform quantities and qualities, underwritten by a nationally known and dependable manufacturer). This is certainly still the case with brands like McDonalds and Coca-Cola which promise a uniform experience anytime, anywhere. Yet that is hardly the whole story, and certainly not for their managers: rather, the brand acts as a container for the constant innovation necessary in today's markets. Brands like Nike and McDonalds hold their objects stable at a level of abstraction above the almost daily renovations and adjustments of their product lines. Hence, some of the more interesting contradictions in the contemporary economy are between the stability, even the stodginess, of the overall marque (for example, Ford as a company) and the constant reconfiguration of products (individual Ford cars). To reiterate: the issue here is not that commodities have become dematerialised ('Nike is nothing but a logo') but rather that their materiality is understood and managed in relation to a backdrop of profound instability that constitutes the very premiss of business practice.

Conclusions

The argument presented here is not intended to conclude that nothing has changed, that 'new economy' (or service economy, information economy or any of the other labels with which I started) is a myth. It is rather an attempt to put our search for 'what's new' on a firmer conceptual footing, one which is not indebted to an untenable social and commercial ontology. This chapter is therefore offered as a reinterpretation of long-running themes within social and economic analysis. We need not deny the evidently increasing centrality – in both practice and perception – of conceptual processes in the conduct of contemporary economic processes: the centrality of information and communications, social skills, cultural knowledges and cultural intermediation, and all the other developments that have been noted in the many different formulations of 'new economy' over the post-war period. But we need to understand these factors not in terms of an untenable social ontology but rather in terms of the changing conditions under which social objects are brought into being in the first place.

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