

Getting and Spending

EUROPEAN AND AMERICAN CONSUMER
SOCIETIES IN THE TWENTIETH CENTURY

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of American politics. This chapter does not suggest that consumption became the sole or most powerful means to self-determination or agency in American life, nor that the vast social inequities of American capitalism that were challenged during the New Deal and after could simply be addressed by more things for more people. The idea, however, that individuals and communities could find in consumption the ready means to self-cultivation and agency should not be readily dismissed. It was the consistent and utopian use of popular culture, individual and collective desire, by the great majority of Americans – the same forms of mass entertainment that both fascinated and repelled consumer professionals – that perhaps held the major key to the ways in which consumption and citizenship merged. Movies, radio, popular music, dancing, comics, fairs, and expositions, all addressed the public and civic aspects of American life by couching them in private, consumerist terms. It was in the visions of consumption and desire offered by these forms, and in their relationship with consumers, that perhaps we may get a sense of the cultural significance of consumption as a new basis of American civilization, a new mode of citizenship. Although this helped foster the illusion of complete commonality that gave rise to a consensual view of American life after World War II, the convergence of many Americans on popular culture as a means of expressing and achieving their own self-determination argues forcefully that we look to the pleasurable for the political, to the subjective for the civic, and to goods for the place where citizens define for themselves, the good.⁶⁵

65 See the essays in George Lipsitz, *Time Passages: Collective Memory and American Popular Culture* (Minneapolis, 1990), for examples of the many ways this played out in the postwar era.

Changing Consumption Regimes in Europe, 1930–1970

Comparative Perspectives on the Distribution Problem

VICTORIA DE GRAZIA

The evolution of modern systems of distribution is astonishingly understudied, considering that goods load up with meaning as they are moved from producers to purchasers. Here, I want to characterize this evolution from a particular perspective, namely, the changeover in continental Western Europe from what might be called a bourgeois to a Fordist mode of consumption. This transformation started to gather impetus in the 1920s and then met enormous resistance during the mid-1930s. Starting up again on wholly new economic, political, and social premises in the early 1950s, the evolution of mass distribution systems accelerated in the second half of the 1960s. By the early 1970s, Germany and France, as well as several smaller states including Belgium, Holland, Switzerland, and the Scandinavian countries, together with areas of north-central Italy, were at home with mass marketing, the supermarket, chain retailing, and the many other techniques and institutions that historians of the subject have characterized as the hallmarks of modern commerce.¹ At least until recently: For the history of modern commerce now has a new endpoint, the so-called post-Fordist dis-

1 There are, of course, significant studies of distribution by specialists and there are important sociohistorical studies of particular institutions, notably the department store. For the former, see in particular James B. Jefferys and Derek Kneec, *Retailing in Europe: Present Structure and Future Trends* (London, 1962); see also James B. Jefferys, *Retailing Trading in Britain, 1850–1950: A Study of Trends in Retailing with Special Reference to the Development of Cooperatives, Multiple Shop, and Department Store Methods of Trading* (Cambridge, 1965); Richard S. Tedlow, *New and Improved: The Story of Mass Marketing in America* (New York, 1990); Robert Bartels, ed., *Comparative Marketing: Wholesaling in Fifteen Countries* (Homewood, Ill., 1963); John Benson and Gareth Shaw, eds., *The Evolution of Retail Systems, c. 1800–1914* (Leicester, 1992). For a specific institution, see a recent synthesis, William Lancaster, *The Department Store: A Social History* (London, 1995), in addition to the venerable study of H. Pasdermadjian, *The Department Store: Its Origins, Evolution, and Economics* (New York, 1949). On the

tribution systems using computerized communications systems to link segmented markets and vastly more intricate and dense global commodity chains.²

Far from offering a seamless narrative about the progressive modernization of European commerce, in which the modern sector prevails over the traditional, and innovative, usually U.S. marketing methods prevail over archaic, time-worn European commercial techniques, this analysis considers the transformation of distribution systems with an eye to varying legacies of social stratification and competing strategies of economic development, highlighting the different charges these lend to changes in practices and level of consumption.³ Because the influence of American models of mass consumption was so pervasive during the changeover to mass consumption in Europe, this history inevitably entails a transatlantic and comparative dimension. During the interwar years, more so in the depressed 1930s than in the relatively buoyant 1920s, anybody with an eye to updating local distribution systems, much less building mass consumer markets, referred to the United States's experience as the premier mass consumer society. Although "Americanization" may be a too-chewed-over and conceptually cumbersome term to characterize the changes we want to discuss

European department store, there is nothing comparable to William Leach, *Land of Desire: Merchants, Power and the Rise of a New American Culture* (New York, 1993).

What is missing is the study of distribution as "a social power structure" (Bartels, *Comparative Marketing*, 187). One fruitful approach is exemplified by Geoffrey Crossick and Hans-Gerhard Haupt, *The Petite Bourgeoisie in Europe, 1870-1914* (London, 1995), its focus the persistence of the petty bourgeois way of life, embedded in the institutions of local manufacture, retailing, and distribution of nineteenth-century Europe. Ben Fine and Ellen Leopold in *The World of Consumption* (London, 1993) lay out conceptual and empirical bases for the analysis of systems of provisioning in food and clothing.

- 2 See Richard S. Tedlow, "The Fourth Phase of Marketing: Marketing History and the Business World Today," in Richard S. Tedlow and Geoffrey Jones, eds., *The Rise and Fall of Mass Marketing* (New York, 1993), 8-35. On the 1980s marketing revolution in Europe, see Carl Gardner and Julie Sheppard, *Consuming Passion: The Rise of Retail Culture* (London, 1989); see also the data presented in a marketing manual by Patrick Molle, *Le Commerce et la distribution en Europe* (Paris, 1992), and Brenda Sernquist and Madhav Kacker, *European Retailing's Vanishing Borders* (Westport, Conn., 1994). Some key social and cultural ramifications are examined in Frank Mort, *Cultures of Consumption: Masculinities and Social Space in Late Twentieth Century Britain* (London, 1996).
- 3 This is a sketch of a section of a larger study, "America in Europe, 1930-1970," other parts of which have been published or presented as papers. See "Americanism for Export," *Wedge* 7-8 (1985): 74-81; "The Exception Proves the Rule: The American Example in the Recasting of Socialist Strategies in Interwar Europe," in *Pourquoi n'y a-t-il pas de socialisme aux Etats-Unis?* (Why Is There No Socialism in the United States?) (Paris, 1987), 167-92; "Mass Culture and Sovereignty: The American Challenge to European Cinemas," *Journal of Modern History* 61, no. 1 (Mar. 1989): 53-87; "The Arts of Purchase: How U.S. Advertising Subverted the European Poster," in Phil Mariani and Barbara Kruger, eds., *Remaking History, Discussions in Contemporary Culture*, no. 4 (Seattle, 1989), 221-57; "The Challenge of American Advertising Arts in 1920s Europe," in *L'Age des metropoles, les années 20s* (catalogue) (Montreal, 1991); "Changing Consumption Regimes: 1930s-1960s, Time, Money, and Work in the New European Household," paper presented at the conference *La construction historique du temps du travail*, European University Institute, European Forum, 1994-5, Oct. 28-29, 1994.

here, the analysis needs to account for the references to the United States's prior, if not avowedly superior accomplishments that crop up in every discussion over transforming distribution - from debating the relationship between manufacturers and wholesalers to dissecting consumer tastes. Eventually, American machinery, institutional models, techniques, and capital would prove very influential from the late 1940s in carrying out the changeover to mass distribution. But over the whole period from the 1920s to the 1970s, European societies were doubly challenged: on one level to respond to pressures emanating from the United States to widen and deepen markets both domestically and internationally; on another, to recognize the concept of social citizenship, in the terms in which it came to be defined in the United States, namely, as entitlement to a decent standard of living. This was to be achieved not by redistributive politics under the aegis of the Left, but in an avowedly apolitical way: by extending throughout society by means of high levels of individual consumption the huge accumulations of goods and higher profits obtained from enhanced productivity.⁴

That said, my concern here is to emphasize not the convergence of paths around a single hegemonic American model of consumer modernity as much as the diversity of trajectories. Ultimately, developments in each area were embedded in very different relationships between state and market, varying modalities of class stratification, and different notions of the rights and duties of citizens. In the 1930s and the 1960s, this variation determined notably different politics toward the modernization of distribution systems, in particular, the practices that affected consumers most directly, namely, local retailing.

DEFINING THE "PROBLEM" OF MODERN DISTRIBUTION

The problem of distribution was brought into focus in 1930s Europe as the intense emphasis on mass producing goods typical of the 1920s gave way to worries about finding markets in the face of depressed export trade and

- 4 Applying the term "social citizenship" to the American context and highlighting increased levels of consumption clearly constitute a broadening, some might say a corruption, of its original meaning, as advanced by the British reformer and political philosopher T. H. Marshall, *Citizenship and Social Class and Other Essays* (Cambridge, 1950; reprint, London, 1992). In Marshall's view, social citizenship, meaning effective equality, was acquired through welfare state reforms and other kinds of redistributive politics in the wake of World War II. Thereby, subjects who had been marginalized by market forces and thence deprived of economic and political equalities acquired through the recognition of individual rights and the acquisition of political suffrage reacquired social rights. The use of the term "social citizenship" here naturally risks that it be conflated with another neologism, "consumer citizenship." To speak of an American notion of social citizenship is to emphasize the difference between that social well-being acquired through individualist consumption and that acquired by means of collective provisions of welfare in terms of entitlement, power, and the definition of the good society.

shrinking domestic outlets. These worries, manifest in the surge of specialized studies, conferences, and institutions devoted to the study of distribution (which included advertising and marketing as well as wholesaling and retailing), derived from several concerns.⁵ The first concern, a long-standing one, was the squeeze on small retailers as a result of competition. The second was the Malthusian bias of businessmen, who were accused of either ignoring the problem of outlets on the grounds that supply would create its own demand or obstructing markets with cartels, tariffs, and other market-constraining arrangements. A third concern were the rising costs of distribution as a percentage of the total cost of goods to consumers. This trend became clearly visible in the wake of the stabilization of European currencies in the mid-1920s. In spite of government efforts to deflate prices by cutting wages, retailing costs stayed stickily high. Finally, there was the concern, dear to modernizing movements of the 1920s, to "rationalize" society. The European scientific management movements were especially prone to conceive of rationalization in a totalizing sense. If production was to be revamped, managerial techniques had to be applied to all of the anachronistic institutions on which production depended. Distribution stood first and foremost, its operations, although visibly crucial to economic efficiency, having hitherto eluded precise calculations of costs and benefits.⁶

A study of each European country would surely offer evidence of indigent pressures to revamp the circuits of distribution. However, U.S. business interests drove the effort to transcend national borders and conceptualize distribution as an issue of global significance. The main way in which they exercised this influence, leaving aside the actions of multinational enterprise, was through international nongovernmental agencies, the International Chamber of Commerce, or ICC, in the lead. Reorganized in the wake of the war at the initiative of U.S. businessmen, the venerable ICC proudly pioneered its new role as "international partner of the national capitalist," supporting the "unspectacular but constructive everyday work of experts" in a new "diplomacy of technics."⁷ That "the problem of distribu-

5 For a contemporary bibliography, spanning the United States and Europe, see *Distribution in the United States: Selected References 1932-1942, with Supplement on Distribution in Foreign Countries and Particularly in Great Britain* (Washington, D.C., 1943); see also the published catalogue of the Kiel Library for World Economic History, Bibliothek, Institut für Weltwirtschaft, Kiel, Germany.

6 The following offer the most complete overviews of the interwar problematic: G. De Leener, *Les problèmes de la distribution* (Brussels, 1934); Roger Picard, *Formes et méthodes nouvelles des entreprises commerciales* (Paris, 1936); Jacques Dansette, *Les formes évoluées de la distribution: Problème économique-psychologique* (Brussels-Pauli, 1944). For studies on specific retailing institutions also addressing larger issues of distribution, see in particular Werner Gabler, *Probleme der amerikanischen Warenhausen* (Zurich, 1934); Richard Mutz, *La vente à prix unique considérée comme nouvelle méthode d'organisation du commerce de détail*, rev. ed., trans. René Stolle (Paris, 1934).

7 George L. Ridgeway, *Merchants of Peace: Twenty Years of Business Diplomacy Through the International Chamber of Commerce, 1919-1938* (New York, 1938), 263-75.

tion" was central to this optimistic Hooverist diplomacy is suggested by the fact that the very act of sustained cooperation, ratified at the Washington Conference in 1931, took the form of the International Bureau of Distribution.

On that occasion, the ICC officials presented a magnificent multivolume study of business trends in Europe and the United States, volume 5 of which was called *Europe-United States of America: Trends in the Organization and Methods of Distribution in the Two Areas*. In it, the rapporteurs, in their own words, deployed a "method of attack that was objective and analytical," aggressively using numbers to create a surface – the market – that by minimizing historical differences allowed for comparability.⁸ In fact, there was a remarkable disparity between the skimpiness of statistical data available to study Europe and the plethoric amounts available for the United States, where distribution had been the object of overweening business and governmental scrutiny since the turn of the century. Aside from suggesting that the problem occupied a very different position in the two areas, the sheer quantity of the U.S. data (and the prospect of prodigiously more with the compilation of the first national Census on Distribution in 1930) assured that American developments offered the basis for future comparisons and that U.S. practices defined the goals and means of distribution.

Hence, to predict from U.S. experience, the up-to-date term "distribution" should soon replace the anachronistic "commerce" still commonly used in Europe. Now the word "commerce" in common English usage since the seventeenth century, connoted reciprocal benefits of exchange and buying and selling together. In French (*commerce*) and Italian too (*commercio*), as well as in German (*Werbung*), it conjured up merchants and middlemen, as well as the corner grocer. Commerce implied that distribution was the main business of merchandising, but not the only one. By contrast, to use the term "distribution" was to treat commerce as only one of "the various activities and processes between the production of goods in final form for use and their delivery to and acceptance by the consumer." Others would include advertising and marketing. At the same time as the semantic deployment of "distribution" ousted the old middlemen of the commercial nexus, it championed a new human agent, the consumer. Indeed, the distinguishing feature of the "modern" distribution system was to "satisfy consumer wants by the most direct routes and at the lowest costs." To

8 *Europe-United States of America*, vol. 5: *Trends in the Organization and Methods of Distribution in the Two Areas* (Geneva, 1931). The preface was drawn up by F. P. Valentine, president of the Committee on Distribution of the American Section of the International Chamber of Commerce (ICC) and for the European side by L. Urwick, president of the International Management of Geneva, who was responsible for the comparative dimension of the volume.

conceptualize the terrain of distribution, the report likewise jettisoned the older notion of market as the sphere of exchange, abstracted from the physical sites in which exchange had once occurred, to speak of not one, but three markets: the "general market," which was an entity measured by assessments of territorial size, ethnic divisions, income, wealth, and so forth, and the actual "consumer" and "industrial" markets, both constituted by means of effective marketing techniques.⁹

In the process of acquainting experts with the techniques to measure the productivity of distribution networks, the report mapped out the panoply of institutions and procedures that in the United States were commonly referred to as the "channels of distribution."¹⁰ At the same time, the report highlighted the anachronisms and social biases in European statistical gathering: In France, true to long-standing mercantilist outlooks, state offices assiduously gathered figures on grain prices and exports; German statistical inquiries focused on retailers in the interest of protecting the old *Mittelstand* of craftsmen and shopkeepers. Generally speaking, investigators of consumer expenditure practically exempted the bourgeoisie from scrutiny in the name of privacy, whereas they rummaged about in working-class households on the grounds that the data they accumulated from family budgets were necessary to calculate fair wages, organize social work, and provide relief. Finally, the report gave short shrift to the idea that the market occupied a distinct physical place or should be circumscribed by national boundaries. This study was proudly described as the first ever to regard the whole European area (excluding European Turkey and Soviet Russia) as a regional market, comparable as such to that of the United States. Indeed, the rapporteurs emphasized the commonalities of tastes and needs among Europeans within a wide inner circle extending from Edinburgh to Bilbao to Milan, Berlin, and Stockholm. Without overestimating the influence of this single report, it is safe to say that from 1931 until the early 1950s when the European Productivity Agency of the Organization for European Economic Cooperation launched Europe-wide surveys under the auspices of the United States-backed European Recovery Program (Marshall Plan), the ICC was the major reference point for European projects to modernize distribution.¹¹

⁹ *Ibid.*, preface, 10ff.

¹⁰ Margaret G. Reid, *Consumers and the Market*, 2d ed. (New York, 1939), 88ff.

¹¹ ICC publications include various brochures and documents published by the International Distribution Committee on the occasion of ICC congresses, e.g.: *Practical Guide to the Most Important Publications in Several Countries Bearing on Consumption and Market Study*, doc. 6902 (Paris, 1939); Dudley A. Clark, comp., *Distribution Censuses: An International Study* (Paris, 1951); *Terms Commonly Used in Distribution and Advertising* (Basel, 1940), and various subsequent editions; International Chamber of Commerce, ed., *Distribution in 15 Countries: Statistical Survey*, no. 17 (Paris, 1953).

THE BOURGEOIS VERSUS THE FORDIST MODE OF CONSUMPTION

Working off American notions about the essential facelessness of markets, ICC literature rarely dwelled on regional or national differences that were structural and cultural rather than income driven, accumulated over time, and the result of the different legacies of earlier commercial-capitalist development. Yet these legacies clearly stood behind the significant differences that in the 1931 report leaped out from the statistical charts yet the text glossed over as mere differences of degree in the interests of conceptualizing a common modernizing project and fostering transatlantic commerce.

Accordingly, U.S. circuits of distribution could be said to reflect a society in which the strategies of mass production industries to widen and deepen markets had early coalesced with the interests of the state, large distributive trades, and consumers to recast distributive chains in order to lower costs, regulate retail demand, and satisfy (and shape) mass consumer tastes. By the turn of the century, what we might call the mass or Fordist model of distribution – at the risk of anachronism since its development antedated by at least two decades that of the Ford factory system – involved the retooling of the whole circuitry of commercial mechanisms, from corporate design and production management to the floor displays of local shops. Eventually, the United States's distribution revolution gave rise to new systems of wholesaling and retailing – their pillars, the department store, chain-management operations, and mail-order houses. It also generated whole new industries such as advertising, as well as a new administrative science, namely, marketing. The circuitry was completed with the establishment of scores of governmental and private institutions to coordinate and study distributive processes, from the several specialized bureaus of the Department of Commerce and the National Industrial Conference Board to the National Bureau of Economic Research, the U.S. Chamber of Commerce, the National Department Store Association, a half-dozen major business schools, and numerous corporate marketing departments.

The long-term conditions favoring this circuitry's establishment surely date to before the onset of large-scale corporations. The United States's relatively slight dependence on foreign trade pushed business back on developing protected home markets. In that sense, the United States's development contrasted with that of Great Britain, where food imports in the face of declining agriculture sped innovations in distributive systems.¹² Unlike Great Britain's free trading elites, though, the dominant political coalitions

¹² Jefferys, *Retailing Trading in Britain*, 38ff.

in the United States were committed to protectionism. Nonetheless, they were generally unsympathetic to mercantilist attitudes toward intrastate and local commerce. Hence the United States was virtually without the structures of monopoly and privilege of old regime Europe, taking the form of guilds, internal trade barriers, and tariffs, or artificial burdens such as tax stamps on postings, newspapers, and other media. Since American cities had never been legally privileged sites of commerce, unlike the bourgeois towns of Europe emerging from feudalism, they lacked the periodic fairs and markets typical of European urban centers. In the absence of a true aristocracy or of a bourgeois culture that aped aristocratic mores, Republican ideology treated merchants less disdainfully than elsewhere. The growing belief that distribution could be organized as rationally and efficiently as production was a striking innovation with respect to views that treated the distributive trades, wholesaling in particular, as parasitical excrescences on productive enterprises, beset by monopolies and privileges, tainted by carnival humbug, and in the hands of peddlers, hucksters, speculators, and the other unsavory denizens of "Jewish" capitalism. Moreover, American business interests quickly acquired the confidence that rationality on the production side could go hand in hand with irrationality on the consumption side; impulse buying, product obsolescence, and ludic subcultures were all to be encouraged – in the interest of a more intense, rapid, and predictable circulation of goods.¹³

In the United States, by contrast to continental Europe, major innovations in distribution began in the late nineteenth century as large corporations responded to relatively higher wages and urbanization with standardized production lines. Their efforts to secure outlets in turn revolutionized wholesaling practices at the same time as the intensifying competition locally recast the retail trade. Meanwhile, national advertising changed the whole conception of the *market*, which now came to be identified with *marketing*: Accordingly, the market embraced a potentially infinite number of consumers, meaning all of those who might be reached with information about the manufacturers' products, their entity being estimated through statistically based marketing "sciences."¹⁴

13 For the nineteenth century, see George Burton Hotchkiss, *Milestones of Marketing: A Brief History of the Evolution of Market Distribution* (New York, 1938); see also Harold Barger, *Distribution's Place in the American Economy Since 1869* (Princeton, N.J., 1955); on the institutions of mass marketing, see Susan Strasser, *Satisfaction Guaranteed: The Making of the American Mass Market* (New York, 1989), and Richard S. Tedlow, *New and Improved: The Story of Mass Marketing in America* (New York, 1990). The effort to dominate the "irrational" and ludic elements of consumer culture was a constant goal of corporate elites, according to T. J. Jackson Lears, *Fables of Abundance: A Cultural History of Advertising in America* (New York, 1994).

14 On early development of marketing sciences, see the foreword of a special issue on marketing of the *Annals of the American Academy of Political and Social Science* 209 (May 1940): xii. Howard T. Hovde

This redefinition of the scale and significance of the market was given enormous impetus not only by the sustained rise in incomes from the turn of the century through the 1920s, but also by mammoth increases in consumer demand propelled by immigration and the neediness of a rapidly urbanizing population. In response to this demand, as early as the Progressive era, we can identify the emergence of a modernizing coalition, formed of larger-scale industrialists, wholesalers, and retailers; consumer organizations; government; and labor, all of whom were more or less interested in unrestricted domestic trade, economies of scale, standardized manufacture, and lower retail prices.

In this context, we can appreciate the huge growth and professionalization of advertising, which, together with novel pricing and display, offered a depersonalized mediation between manufacturers and consumers, at the same time as it appropriated the functions of the traditional intermediaries – local retailers – with respect to both. In other words, oligopolistic firms under pressure to preserve their market shares linked their fortunes to the development of specialized agencies and modern communications technologies to replace the trust and information afforded by local knowledge.¹⁵

In continental Europe, by contrast, distribution remained deeply embedded in the bourgeois mode of consumption. With that term, I want to call attention to the consumption dimension of the pyramidal class constellation typical of European societies down through the 1950s. That different classes consume differently is a truism. Unlike in the United States, however, in which the huge and rapid influx of new goods, the social and physical mobility of the population, and rising incomes quickly generated a large middle stratum of consumers, drastically eroding the previous linking of consumption to class, in continental Europe the carefully demarcated systems of "barriers and levels" in consumption persisted down to World War II.¹⁶ That the continental European hierarchy of taste and expenditure

proposed the discontinuation of the word "distribution" insofar as it was synonymous with marketing and confused with the specialized use of the term in economic theory.

15 Histories of advertising commonly imply that modern marketing provided information about new goods such as could not have been provided by older forms of retailing. However, there is no inherent reason that local retailers could not supply information. In Europe they continued to offer that service well into the 1970s.

16 This aspect of the European social stratification system has only been investigated at all systematically in France, by sociologists and anthropologists working under the influence, broadly speaking, of Emile Durkheim, starting with Charles Gide. The tradition of investigating consumer habits, focusing on family budget studies, continues in the twentieth century, starting with the absolutely central, but untranslated works of Maurice Halbwachs, *La classe ouvrière et les niveaux de vie: Recherches sur la hiérarchie des besoins dans les sociétés industrielles contemporaines* (Paris, 1912); *L'évolution des besoins dans les classes ouvrières* (Paris, 1933). The brilliant work of Edmond Goblot focuses on the "barriers and levels" at work, including fashion, education, and household mores, *La barrière et le niveau: Etude sociologique sur la bourgeoisie française moderne* (Paris, 1925; reprint, Paris, 1967). For the same period, see Marcel Mauss's insights into the development of a commercially driven "national habitus," in "Notion

lasted so long was surely the result of low wages.¹⁷ However, the consummate refinement of bourgeois taste and careful codification of cultural power around it were also inherited from old regime classifications of social distinction based on consumption. These were persistently incorporated into business strategies that very early, in view of narrow domestic markets, oriented manufacture to craft production on behalf of quality-conscious elites.¹⁸ Even when income differences could be observed to diminish in the interwar years, patterns of household expenditure continued to differ notably, coding rank within the upper and middle classes, segregating the households of craft and small retailers and employees from workers, and setting off urban consumers from the vast semiautarkic peasant world in the countryside.¹⁹ Indeed, the persistence of such consumption hierarchies during the interwar period in spite of the growing mass market, some increases in working-class incomes, and the declining fortunes of many bourgeois families suggested that differential consumption habits remained as significant to marking class boundaries as in the pre-World War I era.

The absence of a middle market was strikingly visible in the dualistic structure of the distribution system. The contrast was stunning between, on

de technique du corps" (1934), first published in *Journal de Psychologie* 32, nos. 3-4 (Mar.-Apr. 1936), and reprinted in Marcel Mauss, *Sociologie et Anthropologie*, 4th ed. (Paris, 1968), 365-8. From that body of work, it is a short leap to the studies of Pierre Bourdieu and his notion of cultural capital, e.g., Pierre Bourdieu, *Distinction: A Social Critique of the Judgement of Taste*, trans. R. Nice (Cambridge, Mass., 1984).

17 To compare wages and income is perhaps easier than to compare the effects of rising wages on standards of living and the nature of class stratification. In general, see Peter Scholliers, ed., *Real Wages in 19th- and 20th-Century Europe: Historical and Comparative Perspectives* (Oxford, 1989). On the United States compared to Great Britain, see Peter R. Shergold, *Working-Class Life: The "American Standard" in Comparative Perspective, 1899-1913* (Pittsburgh, 1982); on Germany compared to the United States and Great Britain, see Gerhard Bry, *Wages in Germany, 1871-1945* (Princeton, N.J., 1960); on Italy, see Mario Saibante, "Il tenore di vita del popolo italiano, prima dell'ultima guerra in confronto con quello degli altri popoli," in Centro di studi e piani tecnico-economici, Comitato interministeriale per la Ricostruzione, ed., *Piano per le importazioni e le esportazioni*, Pubblicazioni, no. 5 (Rome, 1947), app. C. The perception of the significant differences bound up with consumption, together with reflections on the difficulties of establishing comparisons, is signaled in Pierre Abelin, *Essai sur la comparaison internationale des niveaux de vie ouvriers* (Paris, 1938).

18 This argument is developed by Whitney Walton, *France at the Crystal Palace* (Berkeley, Calif., 1998); and with even greater precision and a more sweeping scope of analysis by Leora Auslander, *Taste and Power: Furnishing Modern France* (Berkeley, Calif., 1996).

19 Class differentiation in household expenditures is, of course, the subject of long traditions of study, dating back to midnineteenth-century pioneers, E. Ducpetiaux, F. Le Play, and E. Engel. For our period, in addition to Halbwegs, see Henry Delpech, *Recherches sur le niveau de vie et les habitudes de consommation (Toulouse, 1936-1938)* (Paris, 1938). On the rural household in France, see Antoine de Cambiaire, who estimated that 20 percent of the total national output of goods and services was consumed within the households in which it was produced and did not pass through the market. Antoine de Cambiaire, *L'autoconsommation agricole en France* (Rennes, 1952). In Italy, which was somewhat more rural than France and where household autarky was pushed by the fascist regime, autoconsumption was estimated at one-third the total national product. Vera Zamagni, "Dinamica e problemi della distribuzione commerciale al minuto tra il 1880 e la II guerra mondiale," in *Mercati e consumi: Organizzazione e qualificazione del commercio in Italia dal XII al XX secolo*, Archivio Storico dell'Industria Italiana, Studi del commercio (Bologna, 1986), 598.

the one hand, the modernity of the grand department stores and the specialized luxury shops of the major towns and provincial capitals that catered to shoppers in search of the novel and exotic unnecessary and, on the other hand, the traditionalism of the myriad drab retail outlets that provided staples to customers who spent as much as half their income on food. By contrast with the United States, where department stores accounted for about 10 percent and small independent shops for 57 percent of the annual turnover in retailing (the remainder being accounted for by chains), on the Continent, even in the best of times, the former accounted for perhaps 5 percent whereas small retailers contributed from 79 percent (Germany) to 91 percent (Italy).²⁰ The bourgeois mode of consumption was also visible in outlooks toward innovation. Laissez-faire ideologies notwithstanding, the regnant outlooks favored both sheltering national markets from outside competition and protecting acquired positions within domestic markets whether by vulnerable retailers in battle against left-wing cooperatives and national chains or by overbearing big manufacturers manipulating cartel arrangements.

The tensions engendered by the bourgeois mode of consumption were visible in class conflict around distribution. This conflict was manifest in the formation of vigorous left-wing cooperative movements, not to mention the huge hostility to them. It was also evident in the animus against the spread of mass consumption, not just because mass consumption implied redistributive policies, but also because it upset consumption-reaffirming class hierarchies. That struggles over the politics of distribution would figure so prominently in the push to the Right in interwar politics acknowledged the swing position of middle classes whose fortunes seemed so bound up with traditional retailing practices; in France, shopkeepers were still regarded as the pillar of the republic; in Germany, the backbone of the nation.²¹

THE CENTRALITY OF THE SMALL RETAILER

If we focus here not on the most innovative players, but on the most traditional, namely, small retailers, it is because they played such a pivotal, if fun-

20 See Vera Zamagni, *La distribuzione commerciale in Italia fra le due guerre* (Milan, 1980), 23; see also "Le conseguenze della crisi del '29 sul commercio al dettaglio in Europa," *Commercio* 9 (1981): 10.

21 A wide-ranging overview is found in Rudy Koshar, ed., *Politics and the Lower Middle Classes in Interwar Europe* (New York and London, 1990). Contemporary analyses highlight the abiding resonance of the shopkeepers' cries of "wolf," notwithstanding their diminishing numbers among middle class occupational categories. Ernst Maheim, "Les consommateurs, les classes moyennes et les formes modernes du commerce de détail," *Revue Economique Internationale* 29, no. 1 (Jan. 1937): 228-56; see also Fernand Simonet, *Le petit commerce du détail: Sa lutte avec le grand commerce du détail* (Paris, 1937), 70ff.

damentally ambiguous role in shoring up the bourgeois mode of consumption. On the one hand, they were fated to be losers. Or at least so it appeared from the high mortality rates of single firms and the repeated dire predictions about their imminent demise by liberal and Marxian political economists. On the other hand, small retailers laid claim to being the mainstay of the bourgeois social system, by virtue of their venerable lineage, their proprietorship, and their performance as cultural-economic mediators in the hierarchy of consumption. Although many individual firms were fated to live and die like mayflies (*Eintagsfliege*), to recall Werner Sombart's disparaging description, the category as a whole displayed a Darwinian tenacity, being constantly replenished by struggling rural immigrants and the urban underemployed.²²

That small retailers could claim – or it could be claimed on their behalf – that they were central to the mechanism of bourgeois social-cultural reproduction could resonate as truth if we imagine for a moment the operations of the typical European food retailing establishment of the 1930s. This would have been an unincorporated one family business, owned and operated with help from relatives or from one or two paid workers. Store hours would have been as long as ten to twelve hours daily, but the shopkeeper might reopen well after closing if the customers or their custom were sufficiently important. Clients were mainly from the neighborhood, and they would have known both the shopkeeper and each other. They shopped daily, often using credit, buying necessities almost exclusively. They were indifferent to packaging and, being little exposed to advertising, rarely bought with an eye to brand names. The shopkeepers or their assistants took their order, fetched the articles from behind the counter, measured them out, wrapped them, touted up the prices, and either took cash or debited the sum to the account book. If there were any eccentricity in the orders, on the side either of excess or of privation, it would have been noted by one and all.

All else being equal, the shopkeeper too was a traditionalist. Because his customers were bound to him by ties of community and credit, he had little reason to innovate. Many of his business calculations were intuitive, mistakes in his own favor offsetting errors in respect to his creditors and customers. He would have set prices “irrationally,” which is to say that he did not compare them to the “market,” namely, to the prices set by his competitors in other localities nor even his own original outlays or the costs of

22 Simonet, *Le petit commerce du détail*, passim; Dansette, *Les formes évoluées de la distribution*, 70ff.; Dietrich Denecke and Gareth Shaw, “Traditional Retail Systems in Germany,” in Benson and Shaw, eds., *Evolution of Retail Systems*.

restocking, as turnover was slow and record keeping negligent. In a pricing system with much haggling and discounting, in which owners and clients pretty much agreed on the relationship between price and value, the price system was infinitely and often casually customized.²³ In practice, this might mean that the shopkeeper sweetened prices for madame's captivating servant girl, musing about her charms and deferring to madame herself, who kept an eagle eye on the household ledger books. But he extended no favors to the aged and half-deaf widow, and he trifled with the sums charged to the slatternly housewife who entrusted a dim-witted neighbor lad to haul home her groceries.

It is notorious that this solidaristic form of commerce had long been under pressure, and that from the 1880s, if not earlier, the retailing trades had developed an elaborate ideology of defense, in the course of which they clarified their role in the preservation of the class order, craft traditions, and national consumer culture. In Germany, this defense was especially vociferous and organized, the context being disquiet over the precarious status of the *Mittelstand*, pervasive outlooks that saw society as a fixed natural social hierarchy, and real doubt about whether modern commercial civilization was not wholly antithetical to Germany's status as a *Kulturnation*, in which the courage of stalwart *Helden* (heroes) of Prussia's aristocrat past checked the chicanery of parvenu *Händler* (merchants).²⁴ Over time, it was claimed on behalf of small retailers, they were the part that represented the whole of the middle class. Their preservation was indispensable to the sanctity of the bourgeois order itself.

THE CRISIS OF THE BOURGEOIS MODE: NEOMERCANTILISM VERSUS REFORM COALITIONS

The Great Depression of the 1930s set the stage for the last struggle around the bourgeois mode of consumption. In the course of this crisis all defenses would be pulled out, most radically and violently in Germany. The ultimate outcome was the elimination of small-scale retailing as the mainstay and signifier of the bourgeois mode of consumption. Thereafter the distribution

23 See comments on actual and ideal practices by Otto D. Schaefer, director of the Reichsküratorium für Wirtschaftlichkeit, International Chamber of Commerce, *Helping Retailers to Better Profits: The Comparison of Retail Operating Costs*, no. 86 (Paris, 1934), passim; see also Jefferys, *Retailing Trading in Britain*, 48ff.

24 The contrast was incorporated into the title of Werner Sombart's notorious *Helden and Händler* (1916), a wartime tract counterpoising heroic Germany with merchant Britain. On the nineteenth-century petty bourgeois defense more generally, see Geoffrey Crossick and Hans-Gerhard Haupt, eds., *Shopkeepers and Master Artisans in Nineteenth-Century Europe* (New York, 1984); for the best known terrain of struggle, see Philip Nord, *Paris Shopkeepers and the Politics of Resentment* (Princeton, N.J., 1986). For Germany, see Robert Gellately, *The Politics of Economic Despair* (London, 1975).

system would slowly be reshaped around a new middle-class social formation. Its innovators would be an amalgam of modernizers from old firms and entrepreneurs in new endeavors such as marketing and advertising. The circuitry would move from the local and personal to the national and impersonal. More and more, business culture would change its emphasis from the efficiency of the producer to the rationality of the consumer. Distribution, which had once been an appendage of the producer, a central ally of a mercantilist conception of political economy, would move to be the dynamic factor of economic growth and an ally of the consumer.

In this respect, the 1930s were truly crisis years for the old arrangements of distribution and the myriad interests invested in them. With the compression of industrial prices, commercial costs started to show up hugely, inducing experts to investigate prices and costs while agitating consumers with a new awareness of their collective interests. With demand so unpredictable and consumer purchasing power, although apparently rising overall, fluctuating erratically, more and more resources were devoted to service competition. This trend put great pressure on small retailers, who in turn loudly protested the unfair competition of multiple-shop firms and variety chain stores. Increasingly, state policy was uncertain as to whether to support wages and workers by backing more efficient distribution or to support retailers with price maintenance and other protections. Both choices had wide political ramifications, the former being especially risky since the modernization of retailing implied association with left-wing cooperativism, unfettered big business, and the cosmopolitan outlooks identified with the United States and international "Jewish influence." To support the rationalization of retailing also risked losing influence over consumers to unbridled consumption and impersonal market forces.

The powerful coalitions of interest that shaped up around the defense of traditional retailing practices in the mid-1930s thus cannot be dismissed as the last gasp of desperate petty bourgeois shopkeepers, now under the wing of conservative and fascist politicians. The most conspicuous results were laws that directly or indirectly sought to restrict and limit the development of the multiple-shop, variety chain store, and other forms of large-scale retailing. These were introduced in most of the states of western continental Europe, Austria and Germany in the lead. The major exceptions were Italy, where new laws seemed unwarranted because of prior legislation and the slow introduction of new retailing practices, and Sweden, whose evolution was closer to that of Great Britain and the United States.²⁵

25 Walter Froelich, "European Experiments in Protecting Small Competitors," *Harvard Business Review* 17, no. 4 (summer 1939): 442-52; see also Walter Froelich, "Changes in the Central European Retail

Behind this legislation lay the struggle between two outlooks on the modern market: One, the Americanized or Fordist vision, foresaw a whole new nexus of institutions revolving around the rationalized distribution networks of major corporations. This outlook emphasized low unit costs, standardized goods, high turnover, and consumer choice. In the United States it was supported by the New Deal, organized labor, and big business, and consumers were its beneficiaries. The other outlook can be described as neomercantilist. This advocated protected markets within which government and the corporatist organizations of wholesalers and retailers would revamp distribution. This outlook claimed to reconnect craft and customers by improving the quality and range of goods and of the services established to sell them. The coalition behind it included those sectors of big business operating through cartelized distribution systems. It had the widespread support of small retailers and gained backing from the state. It operated at the expense of the consumer.

The latter coalition exploited the idea that European distribution had to be treated as a "social question," the solution to which would be found both in legal protections and a more organized and scientific approach to defending middle-class interests. Arguing against those who highlighted the statistical insignificance of the small retailer to the middle classes and reproached them for their monopolistic pricing practices, supporters spoke of "social utility" and "economies of locality," intangibles such as community goodwill and services such as store credit, repair work, and advice, which were especially important to neophyte consumers and to operation of new consumer durables such as radios and household electric appliances.²⁶

In national policy considerations, arguments in support of the small retailer were secondary to broader arguments that to defend the small retailer was also to safeguard the social order and national identity. Ultimately, autarkic economic policies designed to protect national industries and balance of trade affected consumption as well as production. Late 1930s autarkic regimes, notably in Germany and Italy, contemplated all kinds of restraints on domestic consumption, including curbs on alien institutions like the

Trade," *Journal of Marketing* 4, no. 3 (Jan. 1940): 259-63; David R. Craig, "Recent Retailing Trends in Europe," *Dun's Review* 47 (Dec. 1939), 5-9.

26 Simonet, *Le petit commerce du détail*, 70ff.; see also Hermann Levy, *The Shops of Britain: A Study of Retail Distribution* (London, 1947). In an important study from the late 1930s, not published until after the war, Hermann Levy took the British case to argue that there was a social utility, if not economic logic, behind the persistence of small shopkeeping in a retailing economy that was in many respects as modern as the American, but where small retailers accounted for 60 percent of total retail turnover and 80 percent of the total establishments.

chain store and bans on luxury imports such as coffee, advertising and shop window signs in foreign languages, and cultural commodities like film and fashion. All of these goods and innovations challenged conventional notions of value, craft, and appropriate consumer behavior.

THE CHAIN STORE: PRICE, QUALITY, AND CONSUMER SOVEREIGNTY

In the eyes of the neomercantilist coalition, the variety or unit price store was the archdevil. Chain retailing was by no means new in Europe. The older multiple shops, as they were also called, had usually specialized in particular trades, such as food, women's wear, or shoes. In other words, they delivered familiar assortments of goods at familiar prices, only with greater efficiency. By contrast, the unit price store grouped together all variety of expensive merchandise, from processed foods and feather dusters to windup clocks, selling the whole range at one or two fixed prices. As in the five and dime stores in the United States, the prices might range: in Germany from 10 pfennigs to 1 mark, then from 10, 25, 50, 75, to 100 marks; in France, from 1 to 50 centimes up to 3, 25, and 50 francs. In sheer quantity, stores of this type were not especially numerous in the mid-1930s: There were perhaps twelve thousand in all of Europe, including Great Britain. Whereas they accounted for as much as 7 percent of the retail turnover in England, they yielded only 1.3 percent in France, 1.5 percent in Germany, and 0.3 percent in Italy, compared to 23 percent in the United States.²⁷ Few of these enterprises were actually promoted by U.S. firms. With its 759 European subsidiaries, Woolworth's was the conspicuous exception.²⁸ In spite of its relatively small numbers the chain store became the object of wide-ranging regulation in all European countries except Britain and Sweden, where the protectionist coalitions proved unsuccessful.²⁹

27 Figures derived from Giuseppe Lucrezio, *I magazzini a prezzo unico in Europa e in America* (Città di Castell, 1943), 5. On the one-price store in Europe, see Marguerite Ensèlme, "Les Magasins à prix uniques: leur fonction dans le commerce du détail," J.D. diss., University of Bordeaux, 1936, in addition to Mutz, *La vente à prix unique considérée*, and especially Simonet's nuanced study, *Le petit commerce du détail*.

28 There is no study of Woolworth's in Europe; information can be culled from Mutz, who was a consultant to the firm, *La vente à prix unique considérée*; see also *Transatlantic Trade* (June 1937), which has Woolworth operating eighty-two stores in Germany, fourteen in Berlin alone.

29 On the contentious politics around American chain stores in the 1930s, see Joseph Cornwall Palamountain Jr., *The Politics of Distribution* (Cambridge, Mass., 1955); on the legal significance of the 1936 Robinson-Patman Act, see Ewald T. Greter, "Marketing Legislation," *Annals of the American Academy of Arts and Sciences*, special issue no. 209: *Marketing in Our American Economy*, ed. Howard T. Hovde (May 1940): 165-75.

Since the one-price store was not unlike the department store or other retailing innovations that similarly offered new variety, high turnover, and low prices as a function of economies of bulk buying and low operating costs, one might appropriately ask, Why no such resistance? Like chain stores, of which they were an offshoot, the one-price stores were accused of various unfair practices: cornering manufacturers, cutting wages for employees, selling brand names discounted as bargain bait, and depriving the communities in which they were situated of their rightful share of the market profits. In turn, regulations against them took the form of price maintenance, discriminatory taxes, restrictions on services, and outright curbs on new establishments.

The resistance was motivated by fear of losing the values and identity embedded in earlier forms of commerce. Thus, the most troubling issue for observers was the success, evidenced by the chains' incursions, of modern retailing's strategy of moving downward and outward in terms of class and locality. One-price marketing responded to two major gaps in the distribution cycle that the department store, with its tendency to remain in the major commercial cities and to move to an upscale clientele, had not addressed: One gap was the outlying urban areas and towns under 100,000 people; the other was the gap between quality and price that was satisfied by offering a range of nonbranded convenience goods at low fixed price.³⁰ Previously the institutions of retailing had cleaved to the division between luxury and subsistence, between the "palace of consumption" and the lowly food provisioner. Now, in search of new profits, with capital and know-how from the department stores themselves, large-scale operators appropriated the successful ploys of the department store in the display, assortment, turnover, and pricing of goods. In so doing, the one-price store damaged small businesses by undercutting their position with respect to suppliers and their influence over consumers.

Indeed, small businesses desperately complained about their loss of control over pricing goods. Unable to lower costs or improve services, they responded by seeking regulations to maintain prices. But price maintenance was a hard policy to sustain unless the elasticity of demand was small as it was for staples or in the absence of rival outlets. Moreover, prosecuting violators was difficult. Sometimes efforts backfired; in Catholic, corporatist, and heavily regulated Austria, it was reported that the special tribunals set up to prosecute independent retailers for underselling their competitors

30 Mutz, *La vente à prix unique considérée*, 2-3.

only enhanced the defendants' popularity. Not surprisingly, customers bitterly resented that store owners should be sentenced for selling too cheaply.³¹

The protest against the one-price variety store was directed not just against lower prices but the use of price to establish quality. The changeover from individualized pricing to fixed, clearly marked prices is a momentous one since it demands that consumers and retailers adopt a new understanding of value. In the typical small store stocked with a familiar set range of items, price policy permitted some bargaining, precisely because both merchant and client agreed on estimates of the item's quality, its craftsmanship, and its use. As the quantity of new goods proliferated and new items were offered for sale, customers could not easily determine the relationship between quality and price.³² To orient customers, the one-price store grouped goods according to price categories, the marked price thereby fixing the "objective valuation" of the good. In turn, the housewife, having satisfied the need for staples, was offered a clutter of new goods. She could use her pin money, say ten pfennigs, fifty centimes, or five lire, to choose among them. Lacking other product information, she relied on the posted price to estimate the worth of the object's characteristics. The upshot of this system, it was protested, was to gull ignorant customers into buying "useless" and "bad quality" articles. Its real fault was to undercut the shopkeeper's mastery and to challenge the tenets of a moral economy based on fixed needs for fixed social groups.³³

Behind the protest over the shift in power from the personalized shopkeeper to impersonal large-scale retailing, we can discern protests against

31 Froelich, "European Experiments," 449.

32 We must emphasize the various significance attributed to money, as Viviana Zelizer suggests in "The Social Meaning of Money: Special Monies," *American Journal of Sociology* 95, no. 2 (Sept. 1989): 342-77. The relationship of price consciousness to purchasing power is explored briefly but suggestively in Hugo E. Pipping, *The Standard of Living: Its Conceptualization and Place in Economics*, Societas Scientiarum Fennica, no. 17 (Helsingfors, 1953), 178, which also underscores the ambiguous attitudes toward money in societies in which currency fluctuations confuse money values. "People use money as a yardstick, but do not trust it when they have become index-minded in time of war and inflation, nor do they trust it when status and standards are devalued." As soon as consumers can avail themselves of self-service, Philippe Perrot remarks with some overstatement, "le savoir d'achat" can become as important as "le pouvoir d'achat"; that is, "purchasing knowledge becomes as important as purchasing power" (Philippe Perrot, *Les dessus et les dessous de la bourgeoisie: Une histoire du vêtement au XIXe siècle* (Paris, 1981), 155).

33 In effect, the new pricing system is a preliminary response, pending a far broader and more intense initiation, to the problem of initiating to new products consumers who previously had been habituated to define the appropriate categories for the interpretation of their needs under the influence of highly structured socialization patterns. When the characteristics of goods change quickly and continuously, so much so that the goods become rapidly changing constellations of qualities and previous categories of need dissolve, individuals' capacity to judge becomes disoriented. On this, see William Leiss, *The Limits to Satisfaction: An Essay on the Problem of Needs and Commodities* (Toronto, 1976), 88ff.

the disruptive implications of "consumer sovereignty." The term, as originally conceived in American usage, implied recognition of the formal freedom of choice of consumers, made operational by higher income and the intense competition of market agents.³⁴ In Europe, social reformers had advanced ideas of consumer agency akin to this concept since the turn of the century. For example, the leading theorist of French cooperativism, Charles Gide, had long advocated that the consumer be king. In a charming word play on Descartes's motto, French cooperativists stressed the centrality of consumption to personhood by placing the slogan *Je depense, donc je suis*, on the masthead of their journal.³⁵

However, consumer citizenship in the European context emphasized social participation rather than individual freedom, equality of rights acquired through economic redistribution and political organization rather than by means of consumer choices exercised in the marketplace. In any case, the possibility of enhancing citizenship rights by means of increased consumption, according to European views, presumed that consumers shared a common understanding of taste and quality. If this was not an innate characteristic or the result of a shared standard of living, it was readily acquired through the camaraderie of consumer cooperatives and political associations. Consequently, it was with real dismay that reformers discovered that when offered wider choice, consumers who were assumed to satisfy their wants with "the purchase of objects that were unique and individual" showed a "distinct preference for uniformity in necessities but also in taste in general."³⁶ Unguided by any standard but price, modern consumers threatened to forsake not just an economic institution, local retailing, but also a social and cultural legacy that was indispensable to the class order and to community solidarity.

The spread locally of an out-of-control American style of consumer sovereignty, together with the growing internationalization of markets for consumer goods in the wake of World War I, raised the scary uncertainty that the growing taste for everyday commodities wouldn't be satisfied within

34 On the origin of and multiple and ambiguous meanings of the term "consumer sovereignty," see Jerome Rothenberg, "Consumer Sovereignty," *International Encyclopedia of the Social Sciences* (New York, 1968), 3:326-35. Rothenberg argues that the term, although implied in Adam Smith's work and in that of the neoclassical economists, is first used only in 1936 by W. H. Hutt in *Economists and the Public* (London, 1936).

35 The Cartesian bon mot is, of course, "Je pense donc je suis." On cooperativism and the fertile thinking about consumption at the turn of the century, see Rosalind L. Williams, *Dream Worlds: Mass Consumption in Late Nineteenth-Century France* (Berkeley, Calif., 1982). On French cooperativism generally, see Ellen Furlough, *Consumer Cooperation in France: The Politics of Consumption, 1834-1930* (Ithaca, N.Y., 1991).

36 Pierre Arlet, *La consommation, l'éducation du consommateur* (Sarlat, 1939), 143ff.

the confines of the national market. This dread fueled protectionist campaigns to "buy national" as early as the mid-1920s. From the middle of the next decade, Europe's so-called command economies took up the issue of regulating consumer behavior in the interest of economic planning and national security.³⁷ In that context, observers referred to the American experience, not to condemn the idea of consumer sovereignty (as admirers of American free-trade capitalism might expect), but to extol the protectionist impulses that in the United States during the late nineteenth century had inspired the world's first "buy national" campaigns. European consumers had to develop "a national economic consciousness," a French observer recalled. In support, he fulsomely acknowledged the economist Simon N. Patten's insistence on engendering "national habits of consumption" consistent with the U.S. resources and production skills. Most French consumer theorists limited themselves to advocating consumer education, to teach consumers to request the "quality" of "artisan" products in the face of "taste for the standardized, ersatz, product line."³⁸ Some were becoming sharply aware that drives to nationalize consumption standards could degenerate into political outrages. The same French expert who approved of Patten's protectionism cringed at the sight of the placards at the 1934 Nuremberg rallies of the Nazi Party that read, "Tell me where you buy, and I'll tell you who you are. If you can't pass up a Jewish or foreign merchant, you aren't German."³⁹

POSTWAR STOCKTAKING

The neomercantilist strategies that shored up the bourgeois model of consumption were so deeply implicated in the new order from 1940 to 1945 that Nazi Germany established on the European continent that its final defeat in April 1945 reverberated in every practice with which it was associated – including protected and traditionalist distribution systems.⁴⁰ In the event, the problem of distribution emerged from the war with a new profile: the sheer destruction of commerce in bombed out urban neighbor-

37 On command economies and consumption, see the important studies of Gaston Defossé, *La place du consommateur dans l'économie dirigée*, 2d ed. (Paris, 1941), and Henry Laufenburger, with M. David and P. Benaerts, *L'organisation du commerce dans l'économie dirigée* (Paris, 1944), together with his earlier "La consommation dirigée en Allemagne," *X Crise*, no. 36 (Mar. 1937): 23–31.

38 Arlet, *La consommation*, 143ff.; see also Georges Blanc, *Le consommateur dans l'organisation de l'économie: Consommation libre ou consommation dirigée?* (Bar-Le-Duc, 1943).

39 Arlet, *La consommation*, 149.

40 Already during the war, the Americans, not to mention their allies, foresaw the central role of distribution (and consumption more widely) in reconstruction. Dansette's study, completed just miles away from the passage of the war front in Belgium in 1944, testifies to this optimism.

hoods and wrecked transport and communication systems. The black market and currency fluctuations wreaked havoc with traditional delivery systems as did years of rationing. On top of this, there was pressure to supply occupying armies, destitute civilians, and swelling refugee populations.

The biggest challenge of all sprang from U.S. political and ideological hegemony, which pressed home the intellectual bankruptcy of mercantilist outlooks. In postwar reconstruction debates, protectionism was linked not just to Nazi control, but also to the USSR's closed economy. At the same time, Americanizers advanced a notion of democracy that put consumer choices and satisfaction at the center of reconstruction. Leading European experts visited U.S. retailing organizations and firms in the context of the European Recovery Program (ERP) "productivity missions" and as the American supermarket began to appear to be a feasible model with the development of the Common Market and Europe's "auto-frigo" revolution of the early 1960s. American brands flooded onto the European distribution networks, and in the 1960s, and perhaps sooner, U.S. capital was invested in European retailing operations.⁴¹

Nevertheless, although Europeans interested in modernizing distribution networks had become well acquainted with the latest in U.S. techniques and methods, often under programs sponsored by the ERP, significant transformations did not occur until the second half of the 1950s. The huge increase in self-services in 1950s Europe is symptomatic: rising from 1,200 in 1950 to 45,500 in 1960, including 600 supermarkets.⁴² This rise was especially notable in the land of small shops, Germany, where labor shortages and the rising pay in industry sucked away family and paid employees from the traditional retailers. In 1951 there were still only 39 self-service stores in West Germany. By 1955 there were 203; by 1960, only five years later, their number had shot up to 17,132. By 1965 West Germany had more than 53,000 self-service shops.⁴³

41 K. H. Henksmeier, "The Economic Performance of Self-Service in Europe," OEEC, EPA, 1960; the French journal *Libre-Service Actualité*, which was in close contact with fraternal institutions in Belgium, West Germany, and the United States, provides a limpid picture of development from within the movement. See also Michael Wildt's important *Am Beginn der "Konsumgesellschaft": Mangelersahrung, Lebenshaltung, Wohlstandshoffnung in Westdeutschland in den fünfziger Jahre* (Hamburg, 1994), especially the pages highlighting American assistance to independent chains in the interest of solving the "small shopkeeper problem" and establishing a bulwark against communism.

42 Jefferys and Kneec, *Retailing in Europe*, 106. More generally on the new trajectory of mass consumption see Howard P. Whidden, "Birth of a Mass Market: Western Europe," *Harvard Business Review* 33, no. 3 (May–June 1955): 101–7; François Gardès, "L'évolution de la consommation marchande en Europe et aux U.S.A. depuis 1960," *Consommation: Revue de socio-économie* 30, no. 2 (Apr.–June 1983): 3–32; see also Louis Levy-Garboua, "Les modes de consommation de quelques pays occidentaux: Comparaisons et lois d'évolution (1960–1980)," *Consommation: Revue de socio-économie* 30, no. 1 (Jan.–Mar. 1983): 4–52.

43 Wolfgang Disch, *Der Gross- und Einzelhandel in der Bundesrepublik* (Cologne, 1966), 60.

These changes, which have been characterized as amounting to a "commercial revolution," have to be seen in the context of broader changes in the European market, society, and values. The most obvious change was rising income, which must in turn be traced to the enhanced productivity that resulted from technological innovations and economies of scale and scope that would have been unthinkable without the widening and deepening of European markets under the pressure of U.S. free-trade doctrines. In effect, the formation of the Common Market after 1957 caused Europe to look more like the inner circle of the two Europes identified in the ICC's 1931 distribution study.⁴⁴

State policy was obviously significant to this change, although different legislation seems to have produced not dissimilar results, other factors being equal. Thus the French laws of December 31, 1945, and May 24, 1951, and the emphasis in the Second Plan on promoting consumption carried a strong message on the need to modernize distributive networks. By contrast, West Germany's restrictive *Ladenschlussgesetz*, the Shop Closing Act of 1956, reflected the fear of *Verdrängungswettbewerb*, or "displacing competition," that the "social market" of West Germany's Christian Democratic government was supposed to prevent. Overriding the opposition of the self-styled "consumer democrat," Ludwig Erhard, the architect of West Germany's economic miracle, the law was passed with the support of unions, retailers' associations, and conservative Catholics. Whether this legislation testified to a persistent reverence for the small retailer, social Catholic distaste for mass consumption, or the tight labor market of the German economic miracle bears study. Although it was bothersome to consumers, nothing suggests the law curbed the modernization of distribution or the competitiveness of big German retailers. In Italy, retailing continued to be governed by the late 1920s regulations. It is doubtful that this alone appreciably slowed the modernization of retailing. Other factors such as high unemployment and the Italian Republic's casual attitude toward collecting taxes from small entrepreneurs were far more significant in preserving small retailers.⁴⁵

More generally, we have to look at the vast social and cultural transformations behind the remarkably accelerated spread of mass consumption

44 J. Frederic Dewhurst et al., *Europe's Needs and Resources: Trends and Prospects in Eighteen Countries* (New York, 1961), chap. 5.

45 On postwar retailing generally, two period documents, see Jefferys and Knee, *Retailing in Europe*, passim; on France, see René Peron, "Les commerçants dans la modernisation de la distribution," *Revue française de sociologie* 32, no. 2 (Apr.-June 1991): 179-208; on Germany, see Bruno Tietz, *Konsument und Einzelhandel: Strukturwandlungen in der Bundesrepublik Deutschland von 1950 bis 1975* (Frankfurt am Main, 1966).

from the mid-1950s through the 1960s: the extraordinarily rapid rates of population growth composed of high postwar birth rates and immigration; the huge urbanization with its proliferation of new households, the result of rural exodus and "decohabitation"; the new needs and values that were the result of higher incomes, exposure to new products, access to credit, and new gender roles, all of which responded to and reinforced changing class stratification.

When we speak of the transformation of the pyramidal structure of class relations under bourgeois society, what Henri Mendras calls the "middle-class constellation," we need to remember that this entailed a triple change: The first involved the reclassifying of differences within the bourgeoisie proper, as a rentier class was transformed into a professional elite, with a life-style publicized as akin to that of the middle class of cadres. The second change involved the redefining of the relations between the working class and a lower middle class, formed less and less of craftsmen and shopkeepers and more of salaried employees in service occupations. Finally, change entailed the elimination of the peasantry.⁴⁶ Urbanization was obviously crucial to all of this; it promoted new consumer mores and needs and gave impetus to the new entrepreneurship in distribution, flourishing around the edges of the old town centers and in the provinces away from the capital cities. In France, some of the leading innovators came from the western agricultural regions of Normandy and Brittany, the latter a real backwater until its remarkable modernization in the 1960s. The transformation of the Norman wholesaler Promodès from a regional company focusing mainly on wholesaling into a large diversified international group focusing on retailing was emblematic. The new company joined two rivalrous old family grocery firms, the venerable Duval-Lemonniers of Carentan and the Halleyes of Cherbourg, who merged their forces in the early 1960s to go national. In 1962, they opened the first supermarket; in 1964, the first large cash-and-carry self-service; in 1970, the first hypermarket; in 1976, their first stores abroad; in 1979, they went public on the Paris Stock Exchange; and in 1980, they opened their first store in the United States. The scope of this development, the company history aptly records, suggests, "More than a change of size, it is a change of culture" (*Plus qu'un changement de taille, c'est un changement de culture*).⁴⁷

With fuller study on, say, changes in family decision making processes, income distribution, and household organization, we shall better capture

46 Henri Mendras and Alistair Cole, *Social Change in Modern France* (Cambridge, 1991); Luc Boltanski, *The Making of a Class: Cadres in French Society*, trans. Arthur Goldhammer (Cambridge, 1987), has notably important observations about the formation of a middle-class life-style.

47 Promodès: *Du cabas au caddie: Histoire d'un pionnier de la distribution* (Paris, 1987), 11.

the cultural dimension of this consumer revolution. Edouard Leclerc, the onetime Jesuit seminarian from Landerneau in Brittany turned apostle on behalf of discount food selling, gives us some insight into the pattern of acceptance and resistance that accompanied his giant success.⁴⁸ The first customers for his no-frills food discount centers were distinctly upper class, namely, functionaries, cadres, and bourgeois; all were people capable, as he tells it, of calculating how to improve their standard of living. They had no qualms about shopping around for the best price to cut costs on food in order to save for car payments, keep up mortgages on apartments, and make the down payments on second homes. Evidently, they also had the necessary equipment in the form of modern kitchens (with refrigerators) and automobiles, flexibility to schedule shopping, and ample shopping skills. As for the decor? "They couldn't give a hoot. They don't go into a store to dream, to be blown away. They have what they need at home. The neon lights, music, chrome, mirrors of variety stores (*bazars populaires*) might still dazzle people who live in slums." Leclerc was confident that the lower classes too would soon follow the upper classes. If we give their initial obstinacy a more sympathetic reading, it appears not at all illogical: Abiding economic insecurity, the physical immobility of those lacking transportation, the traditionalism of female roles, and the conservatism of self-protective subcultures all would have deterred experimentation. If Leclerc simplified the issue, he captured the logic impelling change: "As soon as unskilled workers and agricultural laborers have to pay car installments at the start of the month, they too would learn that 'a sou is a sou,' that it's far better to shop at the discount center, ugly though it is, than to pay for the smiles and shop windows at the corner grocer."⁴⁹

CONVERGENCES AND DIFFERENTIATION IN THE PERSPECTIVE OF POST-FORDISM

By the late 1960s, the new institutions of distribution appeared to be a major force shaping a "one-class market" in Europe.⁵⁰ Even optimists were excited by the swooping upward curves in the diffusion of consumer durables; observers highlighted that these curves tended to overlap, indicating that basic appliances were spreading across classes whose consumption habits had not previously touched and across regions that had hitherto appeared utterly distant from each other in development. As new national

standards of consumer well-being were established and rising income blunted some of the sharp differences in the patterns of provisioning and purchase of household durables, it seemed that Western Europe had converged with the United States around a common model of consumer modernity.⁵¹

Yet examined from the vantage point of the 1990s, this development retained many hallmarks of Europeanness. The commercial revolution saw the persistence of small retailers alongside the big, the reworking of old types of cooperation such as retail buying groups, and the establishment of voluntary wholesale chains whereby the small-scale retailers combined with each other and with wholesalers to obtain economies of scale and specialization. Through the 1970s, it was common to characterize the persistence of older forms as backwardness or resistance to modernity. Yet in a new global context, the persistence of old styles of segmented, localized retailing and the linkages between the traditional and the new made sense. In the quest after outlets and suppliers in a highly competitive and ever-more globalized marketplace, these well-articulated local networks presented advantages when supported by local government and in quick reach of distant suppliers and outlets through computerized communications.

From the vantage point of the 1990s a European narrative of the rise of mass consumer society could doubtless be told such as to diminish, if not exclude the influence of the United States. Whether that is useful heuristically or is only an ideological exercise to redress the United States's preponderance in the recent European past is to be debated. What can be said for now is that American experience of 1920 to 1970 should not be identified with modernity in itself. The very interactions of European enterprise with American models demonstrate that there was more than one path of transition from a regime of scarcity and constraint to one of consumer abundance. In continental Europe, this transition was especially troubled, and the structures, social dynamics, and habits of mind accumulated in the process are unlikely utterly to disappear.

51 The catching up by class and region is carefully documented in the regional study by a Breton sociologist, Dominique Badault, working with American sampling and statistical techniques. *Equipment du logement et demande de biens durables en Bretagne, 1962-1968*, Résultats d'enquêtes effectuées en 1962 et 1968 avec le concours de la DGRST, Centre Régional d'Etudes et de Formations économiques (Rennes, 1971); see also André Piatier, *Structure et perspective de la consommation européenne: Marché commun et Grand-Bretagne* (Paris, 1967).

48 Etienne Thil, *Combat pour la distribution: D'Edouard Leclerc aux supermarchés* (Paris, 1964).
49 Ibid., 79. 50 The expression is Whidden's in *ibid.*, 102.