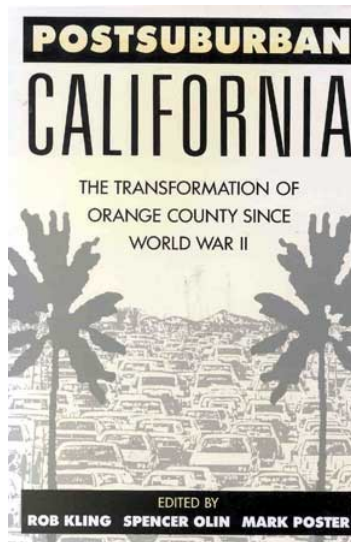


Changing Consumption Patterns



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Changing Consumption Patterns

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In Chapter 4 Rob Kling and Clark Turner show how the production sector is evolving as a result of both changing patterns of employment and growth in the information and service sectors. Here I examine a complementary aspect of the regional economy: Orange County's consumption sector. A pertinent question is whether changes in the consumption sector are as significant and far-reaching as those that Kling, Turner, and other contributors to this book claim for the production sector.

In attempting to answer that question, we must recognize at the outset that developments in these two sectors may not be symmetrical during the early stages of major shifts. There may be lags, or the inherent characteristics of these two sectors may differentiate the pace of change. The production sector, for example, is generally considered organized, which means that, by a process of careful planning and technological and capital infusion, significant changes can be brought about in a relatively short period of time. These changes can especially result if the existing production processes are not well entrenched and a new infrastructure can be built without having to replace an existing one. The consumption sector, however, operates according to well-established social and cultural norms and is based in stratification systems that evolve over time. E. Hirschman (1985) has analyzed the continuities and discontinuities in consumption in a changing environment and the essential tension between the two.¹ She argues that even in the so-called postindustrial age, people cling to primitive aspects of consumption as an effective defense against the forces of change. Changes occurring in the consumption sector, therefore, may or may not be as dramatic or visible as those in the production sector, but they are nonetheless extremely important as anticipatory or confirming processes. Our analysis attempts to uncover those processes. However, there are two aspects of our study that need some explanation: one pertains to the paucity of data, the other to the scope of the analysis.

Our experience shows that government agencies and private research institutions collect much better and more complex data about production and employment-related developments than about consumption trends. This bias is no accident. First, it is a direct consequence of the institutional capitalism that supports all activities that promote

industry's interests. Second, by their very nature, consumer data are generally more diffuse and less easily obtainable than production data. Because of the sparse nature of reliable data, we have to rely on limited information and resort to informed speculation, accepting weak signals as plausible evidence of change.

Although Orange County has been incorporated for more than one hundred years, it has only recently come out of relative obscurity into national prominence. Today, Orange County is a mixture of older communities that still retain some of their historical character and newer communities that have a distinctly modern feel, with homogenized tract housing, broad boulevards, well-groomed industrial parks, and shopping malls. In this chapter, the focus is on the rapid transformation of Orange County and on the forces that have caused that transformation. A large part of the county's development has been the product of deliberate social experimentation and careful planning. The scale and scope of this experimentation are unprecedented, whether one refers to the shopping environments, the industrial establishments, the educational and cultural institutions, the medical facilities, or the residential communities. The underlying theme of this chapter is the tension between the forces behind this social experimentation and the people who live under that experimentation as consumers of its output.

I make no attempt to present a comprehensive account of all the consumption processes in the county but attempt instead to show how the consumption process at the region's core contributes to its diversity and dynamism. The "core consumption culture" is the upper-middle-class and middle-class ownership patterns that are celebrated in many mass media-owning a home, a fancy car, stylish furniture and clothes.

THE ROOTS OF AN AFFLUENT SETTLEMENT CULTURE

Since World War II Orange County's population has become increasingly diverse, multicultural, and multilingual. Its economic strata vary widely from upper- to lower-income groups. Because of the high proportion of relative newcomers in the population, Orange County can be appropriately called a settlement culture.

It is also an affluent culture. The county's consumer economy can be described in terms of its population, income, and spending characteristics. Tables 5.1 and 5.2 compare Orange County with other major metropolitan regions in the United States. Table 5.3 gives a direct comparison with the Los Angeles region regarding certain key factors. Table 5.4 shows consumption trends within the county for certain product categories. The population of Orange County is more than two million, making it the sixteenth largest metropolitan region in the country (see table 5.1). Although 14.8 percent of the population is Hispanic, the county is less ethnically diverse than Los Angeles County (see table 5.3). The national image of Orange County as an affluent community is borne out by some key figures. At forty-three thousand dollars in 1988, the county's median annual family income was the eighth highest in the nation and ranked first among the twenty most populated metropolitan regions. The county also ranked tenth in the United States in the total number of households with an effective buying income of fifty

thousand dollars or more (see table 5.2). Effective buying income is gross income minus taxes (federal, state, and local) and nontax payments (fines, fees, penalties, and social security).

TABLE 5.1 Population and Various Statistics for Consumer Product Sales, Selected Metropolitan Areas, 1986

	Consumer Product Sales (\$ million)							
	1986 Population (000s)	Groceries	Major Household Appliances	Women's Clothes	Drug, Health, and Beauty Products	Eating and Drinking Places	Furniture and Sleeping Equipment	Total Retail
New York	8,527 (1)	8,379 (2)	642 (1)	3,791 (1)	2,093 (2)	5,707 (1)	1,186 (2)	44,722 (2)
Los Angeles	8,312 (2)	8,651 (1)	429 (2)	3,111 (2)	2,146 (1)	5,653 (2)	1,305 (1)	53,977 (1)
Chicago	6,166 (3)	5,658 (3)	381 (3)	2,868 (3)	1,552 (3)	3,873 (4)	923 (3)	37,545 (3)
Philadelphia	4,827 (4)	5,146 (4)	335 (4)	2,025 (4)	1,447 (4)	2,809 (5)	689 (4)	31,122 (4)
Detroit	4,359 (5)	4,956 (5)	287 (6)	1,612 (6)	1,340 (5)	2,700 (7)	578 (7)	28,365 (6)
Boston (metro)	3,724 (6)	4,816 (6)	296 (5)	1,941 (5)	1,005 (6)	3,880 (3)	593 (6)	30,511 (5)
Washington, D.C.	3,544 (7)	4,001 (7)	262 (7)	1,569 (7)	980 (7)	2,738 (6)	670 (5)	26,757 (7)
Houston	3,232 (8)	3,349 (9)	257 (8)	1,220 (9)	813 (8)	2,450 (8)	497 (8)	21,801 (8)
Nassau/Suffolk	2,664 (9)	3,915 (8)	211 (9)	1,295 (8)	808 (9)	1,603 (13)	487 (9)	20,979 (9)
Atlanta	2,543 (10)	2,549 (12)	182 (13)	1,089 (10)	729 (10)	2,003 (10)	418 (10)	19,050 (10)
St. Louis	2,451 (11)	2,714 (11)	183 (12)	889 (15)	595 (13)	1,505 (16)	308 (17)	16,174 (13)
Dallas	2,378 (12)	2,438 (13)	208 (10)	1,032 (11)	609 (12)	1,977 (11)	329 (13)	17,259 (11)
Minneapolis	2,323 (13)	2,811 (10)	179 (14)	954 (14)	580 (14)	1,542 (15)	326 (14)	16,837 (12)
Baltimore	2,306 (14)	2,316 (16)	153 (18)	-	576 (15)	1,371 (19)	-	14,264 (17)
San Diego	2,217 (15)	2,159 (19)	174 (15)	813 (17)	550 (20)	1,565 (14)	336 (12)	14,346 (16)
Orange County	2,177 (16)	2,386 (14)	160 (16)	1,007 (12)	621 (11)	1,818 (12)	337 (11)	16,117 (14)
Pittsburg	2,139 (17)	2,196 (17)	-	767 (19)	528 (21)	-	-	-
Riverside	2,005 (18)	2,053 (23)	-	-	-	-	-	-
Oakland	1,949 (19)	2,192 (18)	153 (17)	759 (20)	558 (19)	-	300 (18)	13,458 (19)
Phoenix	1,916 (20)	-	-	-	567 (17)	1,275 (20)	-	-
Tampa	1,916 (20)	-	189 (11)	-	-	-	-	-
Newark	1,899 (22)	2,321 (15)	-	-	-	-	-	-
Cleveland	1,853 (23)	-	-	-	565 (18)	-	313 (16)	12,444 (20)
Miami	1,780 (24)	-	-	860 (16)	576 (16)	-	300 (18)	13,594 (18)
Seattle	1,758 (25)	-	-	-	-	1,374 (18)	-	-
Denver	1,649 (26)	-	150 (19)	-	-	1,411 (17)	-	-
San Francisco	1,584 (27)	2,113 (21)	-	960 (13)	508 (22)	2,178 (9)	323 (15)	14,541 (15)
Bergen/Passaic	1,303 (35)	-	147 (20)	807 (18)	-	-	-	-

SOURCE: "Survey of Buying Power," 1987.

NOTE: Ranks are shown in parentheses. A dash indicates that a city indicates that a city is not among the top twenty-five in sales.

TABLE 5.2 Buying Power of Selected Regions in the United States, 1986

	<i>Households - with EBI of \$50,100 and over (000s)</i>	<i>Effective Buying Income (EBI) (\$ billion)</i>	<i>Effective Buying Median Household Income</i>
Los Angeles	651 (1)	121.15 (1)	27,017 (84)
New York	632 (2)	114.13 (2)	23,666 (178)
Chicago	495 (3)	86.72 (3)	29,481 (34)
Washington, D.C.	449 (4)	61.48 (5)	37,209 (5)
Boston	352 (5)	57.66 (6)	31,333 (24)
Nassau/Suffolk	339 (6)	46.26 (8)	41,990 (1)
Philadelphia	327 (7)	63.47 (4)	27,233 (80)
Detroit	292 (8)	56.74 (7)	28,160 (54)
Houston	236 (9)	43.57 (9)	28,821 (43)
Orange County	234 (10)	34.57 (10)	35,181 (8)
Oakland	209 (11)	31.33 (16)	32,670 (15)
Atlanta	201 (12)	34.28 (11)	21,025 (40)
Newark	191 (13)	29.60 (17)	32,145 (18)
Dallas	190 (14)	33.67 (13)	28,471 (49)
San Francisco	189 (15)	29.04 (18)	32,092 (19)
Minneapolis/St. Paul	186 (16)	33.98 (12)	30,927 (26)
San Diego	174 (17)	31.68 (14)	27,773 (66)
San Jose	164 (18)	22.16 (21)	37,517 (3)
Seattle	162 (19)	26.67 (20)	30,814 (31)
St. Louis	158 (20)	31.45 (15)	27,518 (75)

SOURCE: "Survey of Buying Power," 1987.

NOTE: EBI is a classification developed by *Sales and Marketing Management* and equals personal household income less personal tax (federal, state, and local), nontax payments (of fines, fees, and penalties), and personal contributions to social insurance. Ranks are shown in parentheses.

TABLE 5.3 A Comparison of Orange County with the Los Angeles Metropolitan Area, 1986

	<i>Orange County</i>	<i>Los Angeles</i>
Population	2,177,300 (16)	8,312,300 (2)
White	93.5%	67.9%
Black	1.3%	12.6%
Other	5.2%	19.5%
(Hispanic)	(14.8%)	(27.6%)
Buying power (000)	\$34,579,535 (10)	\$121,150,626 (1)
Median household spendable income	\$35,181 (8)	\$27,017 (84)
Households with incomes over \$50,000	30.3% (10)	21.4% (35)
Total retail sales (000)	\$16,116,998 (14)	\$53,977,936 (1)
Per household retail sales	\$20,828	\$17,602
Per capita spending on dining out	\$835	\$680
Per household supermarket sales	\$1,235	\$1,162
Per capita spending on apparel, women	\$463	\$374
Per capita spending on apparel, men	\$238	\$200

SOURCE: *Showing Profile 1989* (the *Orange County Register's* annual survey of consumer shopping).

NOTE: Figures in parentheses denote national rank among the major metropolitan areas. Hispanic population also includes those who label themselves as whites.

Orange County is also one of the most important centers of retail trade in the country. Although it is only sixteenth in population, it ranks fourteenth in retail sales, ahead of San Francisco, ranked fifteenth, and San Diego, ranked sixteenth (see table 5.1). For expenditures on specific product groups, the region ranks fourteenth in grocery products, eleventh in drug/health/beauty products, eleventh in food consumed outside the home, and eleventh in furniture and sleeping equipment. Expenditures on beauty aids, furniture, and dining out indicate relative affluence. Longitudinal retail trends are equally revealing. Table 5.4 provides a six year summary of the growth patterns in five selected retail businesses: general merchandise, specialty (luxury) goods, apparel and shoes, drugstore products, and food products (groceries). Although the rate of growth across all the categories is impressive, it is reasonably uniform from year to year, except for specialty products. In this category, the average rate of increase has been dramatic—12.6 percent compared with 9.3 percent for the next highest category, general merchandise.

Two other indicators, automobiles and housing, also point to the relative economic position of Orange County. The county is a major market for automobiles, especially expensive imported ones. The county has the two top Mercedes-Benz dealers in the nation, and many brands of luxury cars are common in the county's affluent neighborhoods.² The median price of a single-family home in Orange County in mid-1989 surpassed \$247,000, which ranks among the highest home prices in the nation.³

TABLE 5.4 Retail Trade in Orange County, 1981-86, in Billions of Dollars

	<i>General Specialty Merchandise Products</i>	<i>Apparel and Shoes</i>	<i>Drugstore</i>	<i>Food Products</i>	
1981	1.263	0.971	0.554	0.193	1.029
1982	1.271	1.091	0.570	0.222	1.088
1983	1.456	1.335	0.529	0.234	1.142
1984	1.648	1.602	0.680	0.253	1.182
1985	1.868	1.725	0.632	0.267	1.217
1986	1.971	1.737	0.673	0.280	1.248
Average annual change	+9.4%	+12.6%	+5.5%	+7.8%	+4%

SOURCE: Compiled from statistical tables provided by the Orange County Administrative Offices

These factors suggest Orange County's affluence, but they do not indicate how much its population values consumption as a way of life or to what extent consumption is a defining activity. All groups consume food, clothing, transportation, entertainment, and shelter. But some groups create their social identities from highly conspicuous consumptionwearing stylish clothes, driving trendy cars, living in high-status neighborhoods. Some social theorists have argued that the United States has become a predominantly consuming culture during this century (Ewen 1976, Douglas and Isherwood 1978, Leiss 1976, Fox and Lears 1983, Ewen and Ewen 1987). But the intensity of consumption varies from one locale to another. I will refer to a region in which consumption is an important cultural value as a "consumer regime." In its extreme form, such a region comprises financial profligates who harrow freely, spend indulgently, save little, and live far beyond their means. In more formal terms, several factors typify consumer regions: (1) The culture values consumption as a social accomplishment. (2) There are high levels and much distribution (as opposed to concentration) of wealth, which translates into buying power. (3) There is a nonhomogeneous marketplace, which results in highly differentiated consumer-choice patterns. (4) Where are high levels of education, which allow for market sophistication, market experimentation, and market innovation.

Orange County is characterized by all these factors. Its consumption pattern also has an additional element: As we have seen, most of the county's population consists of relative newcomers, both from within the United States and from abroad. Newcomers are less bound by established consumer traditions and are therefore more likely to experiment. In fact, this feature distinguishes Orange County from most other postsuburban areas in the United States.

Orange County's overall affluence masks significant variations. There are noticeable disparities in income distribution because of large numbers of single-parent families and poor immigrants. Thirty-five percent of the households earn less than twenty-five thousand dollars a year, and 11 percent earn less than ten thousand dollars, which is the poverty line (Southern California Association of Governments 1984). Although average

household income has risen significantly, this rise has been due mainly to an increasing proportion of dual-income middle-class families. The income disparities also have a geographical character. The county can be divided into northern and southern regions, with a greater proportion of poor families, often Latino, living in the north. In 1986 the median family income of South County residents was estimated to be forty-four thousand dollars, compared with forty thousand dollars for North County residents. The gap widened dramatically in 1987, with reported incomes for these groups of, respectively, forty-eight thousand dollars and forty thousand dollars. Such disparities affect the nature of consumption and people's perception of well-being. In Orange County, the percentage of residents in single-family homes slipped from 57 percent in 1982 to 49 percent in 1987.⁴

With such variations in income distribution, how can one justify an analysis that treats Orange County as if it were monolithic? Orange County is no more monolithic than the rest of the United States or, for that matter, other so-called developed societies of the world. However, from Thorstein Veblen (1925) to J. Baudrillard (1981) to U. Miller (1987), it has been customary and even necessary to treat the elitism of consumer culture as an analytical construct and subject it to a critical examination. In this chapter, such a construct is embodied in the notion of a core, which is as much a state of mind as it is a physical reality. We are not so much concerned here with the actual size of the core as with its dominant position in the cultural ethos of Orange County. Unlike other urban communities that have a core that represents a relatively stable component (usually called the establishment), Orange County does not have a core with an established past on which to base its dominant position. The core consists instead of recently formed groups—entrepreneurs of one sort or another, political leaders, media personalities, professionals, and educators—or, to use the terminology of L. Althusser (1971), the ideological apparatuses. The core may even consist of people who are not privileged by current economic standards but who are striving to attain higher standards. The possibility of doing so is the essence of the settlement culture. By understanding the core one eventually makes sense of the periphery.

THE EFFECTS OF POSTSUBURBAN TRANSFORMATION ON CONSUMER PATTERNS

Consumer patterns change for both micro and macro reasons. At the micro level, changes are attributable to individual consumer's changing tastes. At the macro level, such changes occur because of structural shifts in the environment. The second type of change has characterized Orange County's growth since 1975. In the remainder of this chapter, I focus on macro-level shifts and draw implications for micro-level behavior.

Since World War II the region has been transformed from a rural community of farm towns into a postsuburban metropolis (see Chapter 1). It has become cosmopolitan in its links to an international economy and also in consumer tastes. (For example, the new performing arts center now hosts world-class performers.) The region's commerce has shifted from locally owned downtown stores to shopping malls that house national chain

stores selling international brands. The diversity of the population is itself a major source of complexity in the consumption system. Underlying these changes are two distinct movements: urbanized consumerism and information capitalism. At present, these two seem to be developing in a parallel fashion and do not seem to be closely related. Yet, they are fundamental to our understanding of the changes taking place in Orange County.

Urbanized Consumerism

The nature of Orange County's urbanization is fully explored by other contributors to this book. Of particular interest is M. Gottdiener and George Kephart's (Chapter 2) description of urbanization in Orange County as an example of deconcentration. To these authors, deconcentration is the formation of a settlement space that is "polynucleated, functionally dispersed, culturally fragmented, yet hierarchically organized."

What are the consumption implications of deconcentration? At the theoretical level, this question reflects the current debate on postmodernism (Venkatesh 1989). A development of postmodern culture that has engaged the attention of many social theorists is the juxtaposition of opposites and the creation of seemingly incompatible objects and images for consumption. To quote Elizabeth Wilson (1988), "Postmodernism refuses to privilege any one perspective and recognizes only difference, never inequality, only fragments, never conflict." In such an environment, the consumer has infinite options, but the options remain unconnected (Firat 1989). The objects of consumption are no longer embedded in a centrally identifiable part of human life but exist in free-floating symbolic environments filled with contradictions and juxtapositions. The individual is therefore a consumer of symbols rather than objects. The symbols are made available through a complex interaction of high-technology production and sociospatial configuration. The forces behind deconcentration in modern urbanized societies, such as Orange County, are the same forces that create the symbolic environments of consumption.

At the practical level, deconcentration means that multiple consumption environments can be designed to create multiple consumption experiences. The consumption experiences are, in turn, located in a wide assortment of activities: shopping, dining, entertainment, leisure, and recreation. Deconcentration also means that people lead fragmented lives while struggling to create new networks and establish new roots. Family structures assume new forms to permit the delicate balancing of work life and home life within a social space that remains in a state of continuous flux.

Let us look at two examples of deconcentration that affect consumerism in Orange County: (1) the emerging shopping environments and the ubiquity of consumerism and (2) the changing consumption patterns caused by structural shifts in family patterns. The first example dramatizes the semiotics of consumption in a fast-paced economy. The second example provides insights into the realities of daily life in a complex, financially demanding economy.

Orange County is dotted with neighborhood shopping centers, shopping malls, swap meets, and consumer warehouses (for example, the Price Club), each of which plays a different role in the postsuburban consumer marketplace. Neighborhood shopping centers are traditional outlets for marketing products and services, and they are functional shopping areas in that they do not carry any special symbolic meaning, and the shopping activity in them tends to be quite straightforward.

The shopping malls, however, are not only centers of shopping in the conventional sense but highly organized social spaces for entertainment, interaction, and other types of consumer excitement. Some of them (for example, South Coast Plaza and Fashion Island) have acquired a postmodern theatrical character by engaging in relentless marketing activism. A perfect example of a store that embodies such theatricality is Nordstrom's (at the South Coast Plaza), which is both a shopping complex and a fantasy land. It is not uncommon for a shopper at this store to try on a pair of Italian shoes while a live pianist gives a rendition of Chopin. Piped-in music has been replaced by something more authentic, and such a juxtaposition of opposites— high art and mundane consumption— has become a matter-of-fact event. Nordstrom's is not the only instance of a public commercial space in which, for the modernist, the "sacred" and the "profane" meet, but it typifies a trend in this postsuburban culture. Participation in the shopping mall is not cost free. Although many customers may visit the malls for fun and entertainment, the shops could not survive without substantial sales. The stores need customers to spend money, which they encourage through an elaborate credit system. A high percentage of shopping-mall revenues are not cash-based; in fact, Orange County residents possess an average of 3.31 department-store credit cards.⁵

In contrast to the shopping malls, Orange County also has swap meets and consumer warehouses. These are alternatives to both the manufactured fantasy of the shopping malls and the unstimulating neighborhood shopping centers. Swap meets allow buyers and sellers to interact at a personal level so that shopping is not an alienated activity. Buyers are able to deal with sellers on their own terms, without necessarily feeling powerless in the economic exchange. Consumer warehouses are mega-shopping spaces and highly efficient assembly-line operations. Their main attraction is low prices, possibly the lowest prices one can obtain in the local market. Their clientele includes middle-income to low-income families.

On the face of it, both swap meets and consumer warehouses are uncomplicated economies attempting to survive in the face of shopping mall capitalism. This picture is only partially true because both enterprises are, in reality, highly organized ventures designed to create myths of their own. Swap meets supposedly symbolize counterculture movements. The bazaar look and the disorganization give them the appearance of a medieval marketplace. Behind this seeming spontaneity, however, one finds that they are highly dependent on the local political machinery for their survival. Similarly, consumer warehouses provide their own symbols through giant storage spaces and membership privileges. Giant storage spaces give the impression that the consumer has abundance at his or her fingertips, while the idea of exclusive membership privileges is as much a part of the Price Club as it is of American Express.

Some important themes emerge from the consumer environment in Orange County. The alternatives offered to the consumer are not simple shopping choices but experiences that elevate the ordinary consumer to a new state as metaconsumer (Firat 1939). A metaconsumer is not only a consumer of products and symbols but also an active participant in the shopping spectacle. The participating individual is thus both the consumer and the consumed. By the same token, the shopping mall is not merely an economic space where exchanges take place but a symbolic social space for everyone to come alive in. Stretching a bit, we might even say that the shopping environment becomes a metaphor for other aspects of life in Orange County. The shopping-mall spectacle is pervasive; it can be seen in offices, health spas, restaurants, fast-food places, universities, and religious establishments. A few examples should suffice to illustrate the point.

Orange County has witnessed a phenomenal growth in ethnic restaurants in the past ten years. There are basically two kinds of ethnic restaurants: those that serve ethnic immigrants and those that cater to upscale consumers. The first variety is a natural result of the arrival of new immigrant groups. The second type of restaurant, however, is transforming Orange County in a major way. The ethnic restaurants that cater to the nonethnics are part of a national gourmet movement that was virtually nonexistent in Orange County in the 1970s. This phenomenon is the result of the postsuburbanization and internationalization of Orange County's consumer culture. It is not merely that people are after delicious food, which they certainly are, but that they are after delicious life-styles, of which food is just a manifestation. Eating exotic foods is a simulated adventure in a theatrical society. Eating different types of food in different settings-by the ocean, on a rooftop, or in an elegant shopping-mall garden-adds flavor to choice. There are also places in Orange County where one can eat foods from different nations under one roof. Gone are the days when Orange Countians would go to Los Angeles for a special meal. It is almost unfashionable, besides being a matter of pride, for a resident of Orange County to boast of a trip to Los Angeles for a dinner engagement. In these days of much-heralded choice within the county (not to mention the freeway traffic), it may even sound a bit foolish.

A second example of the shopping spectacle as metaphor lies in the religious arena. The Crystal Cathedral in Anaheim is an important case in point. Its proximity to Disneyland may not be altogether coincidental. As one enters the grounds, one can see the bold architecture of a religious palace that boasts a thousand windows and an aviary inside. The combination of religious magnificence and material grandeur resembles Nordstrom's mix of high culture with consumerism. In their own way, both the Crystal Cathedral and Nordstrom's are examples of the postmodern subversion of reality.

In addition to shopping environments, the effects of deconcentration on consumerism can be seen by examining shifting family patterns. A major social and economic development has been the revolution caused by the entry of women into the labor force. This process has not only altered the production side of the economy but, more significantly, has shifted consumption into new directions. Historically, most marketing

efforts of consumer-product companies were directed toward single-income households in which women acted in the traditional wife/mother roles while men were the breadwinners. The ethos of consumption was clearly defined by traditional values. The new work patterns of women, however, have resulted in a number of significant changes.

An overall change in life-styles is borne out by studies showing that although the earnings of women working part-time constitute only 25 percent of their families' total income, the earnings of women working full-time account for about 40 percent (Department of Commerce 1987, 70). Because many married women are working full-time today, the impact of dual-income families has been quite substantial. As a result, 26 percent of dual-income families are now classified as upper class, compared with only 8 percent of single-income families (Bloom 1987). A second development is that the average working woman now spends nine hours per day on her job if one includes the commute back and forth (Townsend 1985). These two developments—rising discretionary incomes and increased hours spent on work-related activities have had significant impacts on standards of living, shopping habits, types of products and services consumed, the use and quality of family time, and child rearing.

The increasing number of women in the labor force has altered the way that families shop for food and dine out. "About 37 percent of supermarket spending is accounted for by those [families] in which both husband and wife work," observes F. Linden (1985), "compared with 31 percent ten years ago [in 1975]: "There has been a decline in the amount of unprocessed foods consumed at home and an increase in frozen and prepared foods and snacks (McLaughlin and German 1985). Families with working wives spend more than one-third of the family food budget in restaurants; whereas in households with a nonworking wife, only one quarter of a family's food budget goes toward dining out (McLaughlin and German 1985).

Women's employment has made a difference in Americans' ability to purchase homes. Beginning in the mid-1970s, sharply rising housing prices and mortgage interest rates, coupled with stagnant family incomes, threatened to strike at the heart of the American dream of home ownership. But while the housing-affordability crisis was beginning to emerge, home ownership was increasing among young married couples. To investigate this paradox, D. Myers (1985) conducted a study using Housing and Urban Development Annual Housing Survey Data from 1974 through 1980. He found that, among couples in which the wife was twenty-five to thirty years old, wives' earnings became an increasingly important factor in financing home ownership.⁶

Although most of these trends are national in character, the current developments in Orange County substantiate these trends. From a series of articles published in the *Orange County Register* from 1987 through 1989, the following picture emerges.⁷ Fifty-eight percent of the women with children in Orange County are in the labor force, compared with 60 percent nationally. This figure declines to 42 percent for married women with children under three years old. The participation rate of single women with children in the labor force is slightly higher than for married women with children, regardless of the age of the dependent children. Within the county, childbearing patterns

underwent considerable changes during the ten-year period following 1976. The average age of Orange County mothers, which was 25.3 years in 1976, rose to 26.9 years in 1986. The percentage of mothers who are thirty years old or older increased dramatically, from 20. percent in 1976 to 30.8 percent in 1986. The significance of these changes is as much sociological as economic. The increasing importance of careers for women explains some of these shifts. From an economic standpoint, the cost of raising a child in Orange County must be one of the highest in the country, given the high cost of both housing and services. Women seem to be caught between the opportunities in and financial rewards of the workplace and the pleasures and obligations of home life. A number of women successfully manage both worlds. Others prefer not to juggle the two and make choices to fit their needs. These choices range from not having children at all to giving up their jobs (see Chapter 7).

The consumption consequences of women's choices regarding their work and home lives are quite profound. The economic independence of women, in some cases gradually approaching equality with men, gives them the ability to make decisions regarding household, products and services without having to base these decisions solely on the income of their husbands. Women are no longer tied to their home lives as in the past and stay in marriage more by choice than by social dictate. Freedom in the social arena has transferred to the marketplace, which has recognized the wisdom of treating women not as suburban housewives but as postsuburban consumers.

This newly gained status of women has another side to it, however, that deserves some discussion. Women simply do not have the unstructured time that they once had. The increasing commitment to paid employment and the inability to maintain control over home life compel them to surrender their consumption decisions to outside market forces, much the same way that families have looked to schools for providing many services. Within the family itself, a great deal of responsibility for making decisions about products and services is shifting to children. Children are no longer considered consumers at an early or primitive stage of an evolutionary process but as independent agents playing a major role in the consumption process. A large part of advertising these days is directed toward the young consumer as the decision maker.

The structural shifts in family organization are themselves a postmodern development with all its contradictions and juxtapositions. Family life is fragmented but not necessarily fractured. Women are financially independent but at the same time subject to a system that places considerable demands on their time. In most respects, this is still a man's world, but men are unable to respond to the changes and remain confused in the process. The parent is now both the consumer and the consumed. The child is simultaneously an adolescent and an adult.

Information Capitalism

Orange County watchers generally agree that the county is as good an example of an information society as any other region in the United States. Kling and Turner (Chapter 4) have tested this claim by analyzing the employment patterns in the information sector.

Following T. Luke and S. K. While (1985), they use the term *information capitalism* to describe the entry of capitalism into a new phase in which information and cybernetic knowledge become factors of production for capitalistic control.⁸ In describing information-oriented economies, it is common to use such labels as *information worker* or *knowledge producer* to designate people engaged directly or indirectly in information-processing activities in the production sector. Such clearly identifiable analytical categories, however, are not available for configuring the information orientation of the consumption sector. The term *information consumer* sounds awkward at best. The lack of terminology does not mean that the concept of the information society has no implications for the consumption sector, however. Nor does it mean that there is no discussion of the role of new technologies in the lives of ordinary citizens, as is evident from writings on new consumer-oriented technologies such as electronic media, home computers, and videotext (Compaine 1981, Buzzell 1985, Rogers 1986, Venka tesh and Vitalari 1986). These and other writings characterize contemporary societies as shifting to both an information orientation and a service orientation. In this section, our discussion is centered primarily around the information orientation of the consumer economy of Orange County as it pertains to specific technologies and modes of information.

Several technologies compete in the marketplace for public attention. Predictions have been made that in the early 1990s American households will use a wealth of these new technologies: home computers, two-way cable and viewdata systems, electronic mail services, facsimile machines, microprocessors, direct-to-home satellite broadcasting equipment, online data banks, voice synthesis and recognition devices, and more. Some of these technologies are already in wide use, and others are being testmarketed. Although predictions of an information revolution were made during the early 1980s, there is now more caution and realism in assessing the impact of these technologies on the consumption sector.

Some rough estimates are available regarding the consumer ownership levels of new technologies in Orange County.⁹ Eleven percent of the households use computers in the home, a rate of ownership lower than for VCRs (55 percent), telephone answering machines (18.5 percent), and programmed home-control systems (16.7 percent), but higher than for cordless telephones (4 percent) and automobile telephones (2 percent). (The ownership figures for traditional household technologies such as refrigerators, telephones, and automobiles range from 85 to 95 percent.) These figures suggest that, within the consumption sector, one cannot say that the current developments are a computer revolution as much as that they are a rite of passage into the information economy.

The capabilities of computer technology and the opportunities it presents for industrial expansion have been widely discussed since the 1960s in the social science literature. In particular, the social impact of computers on large organizations is the subject of ongoing research at the University of California at Irvine (King and Kraemer 1985, Danziger and Kraemer 1986, Kling 1987). The adoption of information technology has

been seen as increasing the production efficiency of organizations, while its impact on the quality of work life is more complex and not univalent.

Studies of the impact of computer technology on individuals and households extend these lines of research. These inquiries can be broken down into two separate categories. First, there is a question of how consumers utilize computer and communication technologies in their personal lives, such as using home computers and telecommunications systems for work, social interaction, or entertainment. The second area to be explored is the effects of individuals' and households' dealings with businesses and public agencies that are becoming increasingly computerized. Both kinds of interactions with computer systems have strong implications for the emerging social order based on new technologies.

It seems clear that the impacts of information technologies on individuals and households are being felt at two levels, indirect and direct. At the indirect level computerization minimizes consumers' face-to-face contact with technological complexities but nevertheless has an impact on their lives. Examples are computerized systems in automobiles, microwave ovens, audio/video machines, and other similar household products. At the direct level we have technologies such as microcomputers, which require direct manipulation by the user. At the indirect level, users do not have to acquire special skills to operate the technology. At the direct level, effective use of the technology requires a level of training that only a segment of the population can claim to have.

In my previous research, I found that a growing number of people were using computers at home to do job-related work (Venkatesh and Vitalari 1989). This finding is significant because industrial societies segregate work life and domestic life. If computers enable or encourage people to bring work home, we will be faced with a technology that fundamentally blurs the two spheres of activity. With an increasing number of women in the labor force, there is a strong incentive for some people to work at home if possible. The primary impact of computers and related telecommunication technologies at home may lie in helping people integrate work life with family life, rather than separating the two. This integration is unlikely to be either smooth or seamless, in part because a significant portion of the family's disposable income has to be allocated to the purchase of computers. Computer systems are capital intensive, and when they cost several thousand dollars with peripherals, they are the most expensive items in the family budget after homes and automobiles. The costs increase even further when families acquire several computers to satisfy the needs of different family members. However, if computers become integrated into the social life of the family as automobiles have been, people will be more likely than they now are to accept them and their cost.

This new wave of technologies has the potential to transform home and work environments. Little over half a century ago a similar change was heralded, resulting in the transformation of the American home into what it is today. The modern home may be described as the product of this electromechanical revolution. The changes became so much a part of our lives that they are now taken for granted. The overwhelming presence

of a wide range of household appliances in the average American home is a testimony to the successful implementation of the pre-computer technology. Like the electromechanical revolution of the past, information technologies have the potential to cause a major social transformation by the end of this century. At present, the impact of these technologies is not visible because of the seemingly unconnected ways in which they are diffusing across society. A natural question in this regard is, how prepared are average citizens to survive and live meaningfully in this emerging technological milieu?

By virtue of their membership in a computerized society, individuals must become increasingly familiar with the use of technologically advanced devices in their daily lives. We know that consumers living in modern societies should be able to read such materials as product manuals, insurance policies, service contracts, and rental agreements. However, consumers' ability to understand the complexities of modern technology is impeded by low levels of human contact and assistance in using it. As services become computerized and knowledge sources become computer-based, consumers will face an increased challenge in dealing with the technologically intensive self-services, such as automated teller machines and ticket dispensers. To do well in this environment, consumers will need to be literate technologically. Technological illiteracy is not an unfounded concern. The average high school student in Orange County reads at the eighth-grade level; his or her skills are sufficient to read comic books and prepare TV dinners-hardly adequate to survive in a computerized society (Lynn 1986).

We now turn to a final way in which information capitalism affects consumerism in Orange County.¹⁰ We have noted that Orange County represents an advanced state of consumer culture. What sustains that consumer culture is an elaborate credit system maintained by a rigorous application of information technologies. The role of information capitalism is quite critical in this context.

To use an engineering metaphor, credit is the fuel that drives the engine of the consumer economy. Many articles have commented on the role of credit in the consumer economy at both national and local levels (Slater 1987, Bloom and Steen 1987, Bloyd 1989, Teebom 1987). The tone of the articles ranges from guarded optimism to genuine concern. There is optimism because credit translates into buying power and energizes the economy through consumer spending. Concern about credit arises because of the growing number of consumers carrying unmanageable debts.

Statistics show that consumer credit is growing at an astounding rate. Generally speaking, consumer credit takes three forms: home mortgages, automobile loans, and plastic money (credit cards). In 1945 the consumer installment debt of the average American family was 2 percent of its annual income. By 1985 it had risen to 18 percent (Bloom and Steen 1987). According to G. Slater (1987), home mortgages are the largest form of household borrowing, with mortgage payments accounting for about 50 percent of the total household debt, followed by auto payments (20 percent) and credit cards (5 percent). The current trend seems to indicate rapid growth in credit-card purchases. When consumers reach a point where they depend on credit cards for their daily survival, the situation becomes pathological. Orange County has developed the reputation of being

one of the highest credit-dependent regions in the country (Teebom 1987). As S. Bloyd (1989) notes, "Orange County households with incomes of more than \$15,000 a year receive an average of four credit card solicitations a month—three times the national average." A similar view is expressed by Teebom (1987):

The credit system in Orange County is growing. Orange County on average has much higher credit balances than the national average. At a time of economic downturn, this high credit situation can have serious consequences. Not only are there more credit purchases and credit use based on credit cards, because the home in Orange County is appraised at a very high price, consumers are able to borrow more. Home equity loans are at an all-time high. (p. 17)

The link between this credit culture and information capitalism comes about in the following way. Consumers require financial power to participate effectively in the economy, although everyone can fantasize about acquiring products, services, and lifestyles that are well beyond their means. Financial power is usually exercised through the acquisition of goods and the ability to access services. A common method of exercising this power is through participation in the credit system. Credit converts individuals into consumers by expanding their purchasing power. Additional purchasing power is created simply by binding the consumers into the credit system. When consumers enter the credit system, they are indexed and continually recertified. If they fail to discharge their obligations in a timely manner, they can be easily removed from the system. Although this sort of binding is not new, the process can occur with stunning swiftness in a highly organized information-monitoring environment. It is therefore not surprising that the credit culture is intimately linked to information capitalism.

In Orange County, as in the rest of the country, we are witnessing the instant creation of credit histories for individuals and the simultaneous exercise of control over consumers. Ironically, in this process, a person's credit rating, which should be an extremely private piece of information, becomes a matter of official record through a highly organized and efficient system of information processing. The technology of the credit culture is so total that, there seems to be no escape from it—that is, not to have credit can be as problematical as having credit.¹¹ Without credit, the individual cannot participate in the consumer economy; with credit, he or she cannot escape it.

In sum, in rapidly changing, technologically oriented regions like Orange County, the credit system plays a critical role in organizing the consumption activities of individuals through a sophisticated information apparatus. To understand the full ramifications of the system, it is important to go beyond its economic aspects and examine the sociological implications. The system is designed, ostensibly, to create a social order in which everyone can participate as consumers. But this noble ideal dissipates quickly once the technological apparatus that serves information capitalism takes over, raising an important question regarding the relationship between the system and the individual—who serves whom?

CONCLUSIONS

Orange County has emerged as an important economic region in the nation as it has become a highly information-oriented, postsuburban society, with all the strains of such transformation. An important aspect of this transformation is its rapid expansion as a consumer economy. My attitude toward this phenomenon has been a negative one, for I see a danger in romanticizing the transformation of Orange County. The county's growth and development are not merely consumer-oriented; they have imposed consumerism on virtually every aspect of life. Thus I have likened life in Orange County to an endless spectacle made more intense by new technologies of control—the technologies of information and communication. I see the shopping environment both as a privileged reality and as a metaphor for life in general. It is not entirely clear, but there is some indication that the county is in fact becoming two counties, and the dichotomy splits in many ways—North County and South County, postmodern and nonpostmodern, or the core and the periphery.

I have focused on the dominant modes of consumption, that is, the consumption patterns of the core, because they represent more fully than those of the periphery the postsuburban transformation of Orange County. A sequel to this analysis should include the periphery as well, as a means of fully understanding the relationship between the two spheres. Some preliminary thoughts on this relationship seem to be in order here. The existence of a core and a periphery suggests a bias in the products and services that are marketed. The core, being more affluent and sophisticated in its tastes, is likely to respond to highly differentiated products and services. To quote N. Dholakia and A. Fuat Firat (1987):

Products that are not differentiated toward elite consumption do not receive marketing support. For all its glamour and sophistication, marketing has little to offer for basic products like staple, nutritious foods or simple, protective clothing Marketing strategies are extremely difficult to devise for basic social needs like nutrition, substance abuse prevention, exercise, automobile safety or literacy. These are basic, undifferentiated, mass, social needs (which marketing does not find it profitable to exploit).

As Orange County moves into the next century, these issues will become extremely important and need to be addressed.

NOTES

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1. Hirschman (1985) analyzes the structural factors that contribute to the continuities in consumption patterns. Besides the economic costs associated with change, they include subcultural or ethnic norms and resistance to the dominant patterns.
2. N. Welgarz, "Orange County Car Dealership Rolls Ahead," *Orange County Register*, 8 Dec. 1987.
3. "Home Sales Decline: Interest Rates Cited," *Los Angeles Times*, 16 Aug. 1989.
4. (nary A. Warner, "People Back Slow Growth, Dream of Detached Home," *Orange County Register*, Metro section, 11 Dec. 1987.
5. *Shopping Profile 1989* (the *Orange County Register's* annual survey of consumer shopping).

6. Myers also draws policy conclusions from his studies. National policies aimed at encouraging homeownership, he observes, should be linked with policies for improving the welfare of working women.

7. "Career and Children," 31 Dec. 1987; "Moms Bring Home the Bacon," 19 Dec. 1987; "Lack of Time Is the Tie That Binds Busy Moms," 20 June 1989; "Parenting: Choosing to Stay Home," 21 Jan. 1989. (These references are selective, not exhaustive.)

8. For a more recent discussion of information capitalism, see T. Morris-Suzuki (1988).

9. These estimates are compiled from different sources; specifically, they are based on the *Los Angeles Times's Marketing Research Reports* and the *Orange County Register's Shopping Profile* for 1985 to 1989.

10. Parts of the discussion in this section were inspired by the writings of Michel Foucault, to which I was exposed in a graduate seminar at the University of California at Berkeley taught by Paul Rabinow during 1988-89. The notion that the credit system can be used to expand the financial power of individuals and to validate them as consumers is a logical application of the Foucauldian analysis of culture and power.

11. To quote Bloyd (1989, 123), "Credit cards are so much a part of today's financial world that you literally can't get around without one. You will find it difficult to rent a car, get a hotel room, buy theatre tickets, join a video tape rental club or cash a check without a valid piece of plastic in your hand. Even libraries ask you to leave your driver's license or credit card as security for the temporary checkout of some items."

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