

How to spend it

## Modern American elites have come to favour inconspicuous consumption

*A new book looks at how expenditure has changed among America's affluent*



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**The Sum of Small Things: A Theory of the Aspirational Class.** By Elizabeth Currid-Halkett. *Princeton University Press*; 254 pages; \$29.95 and £24.95.

STATUS symbols are as old as humanity itself. It was only once ancient Rome became rich enough for plebeians to decorate their homes that elites sought to do one better by installing mosaics in their villas; in Victorian England working-class women began to don worsted stockings to mimic the silk hosiery of the 1%. At the end of the 19th century Thorstein Veblen, an American sociologist, decried the

“conspicuous leisure” of the robber barons of his age, who set themselves apart through their ability to avoid labour; he went on to bemoan the “conspicuous consumption” of the working classes seeking to imitate the wealthy’s access to luxury goods.

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Conspicuous consumption persists today. But just as the patricians of classical times changed their habits once the masses gained the ability to copy them, so too have modern American elites recoiled from accumulating mere goods now that globalisation has made them affordable to the middle class. Instead, argues Elizabeth Currid-Halkett, a professor at the University of Southern California, in “The

Sum of Small Things”, they have begun consuming the fruits of “conspicuous production”: socially worthy things like fair-trade coffee. They also emphasise “inconspicuous consumption”, of services like education. Far from making the world more egalitarian, this shift, in particular, threatens to entrench modern elites’ privileged position more effectively than the habits of their predecessors ever did.

As inequality has increased over the years, so have researchers’ attempts to grapple with its causes and consequences. Ms Currid-Halkett distinguishes herself by bridging the divide between qualitative and quantitative approaches. Her book has no shortage of anecdotes to illustrate cultural trends and it digs deep into the detail of the Consumer Expenditure Survey, administered by the Bureau of Labour Statistics. Using the survey’s data from thousands of respondents, she paints a remarkably fine-grained portrait of how the spending habits of Americans have evolved over the decades.

Defining “conspicuous consumption” as “apparel, watches, jewellery, cars and other socially visible goods”, she finds that even though the poor must dedicate much of their income to basic necessities, they devote a higher share of their total spending to conspicuous consumption than the rich do. And the trend is gaining

steam. Between 1996 and 2014 the richest 1% fell further behind the national average in the percentage of their spending dedicated to bling. The middle income quintile went the other way: by 2014 they spent 35% more than the average as a percentage of their annual expenditure.

Rather than filling garages with flashy cars, the data show, today's rich devote their budgets to less visible but more valuable ends. Chief among them is education for their children: the top 10% now allocate almost four times as much of their spending to school and university as they did in 1996, whereas for other groups the figure has hardly budged. They also invest heavily in domestic services such as housekeepers, freeing up time that the less fortunate must spend on chores.

Rather than frittering away that precious leisure time on frivolities, as Veblen's leisure class did, they devote it to enriching experiences, like attending the opera, holidaying in far-off lands and working out at fancy gyms. Their children, by tagging along and thus absorbing this "cultural capital", develop the sophistication needed to win admission to selective universities, vastly increasing the odds that they will form the next generation's elite. The modern equivalent of Victorian worsted-stock wearingers are hipsters, who imitate the wealthy's penchant for farmers' markets and fair-trade lattes, even if they cannot afford a cruise to Antarctica.

"The Sum of Small Things" both unearths evocative differences between big American cities—for example, Los Angeles leads in bottled-water consumption, while New York does in spending on shoes—and makes clear that the "aspirational class" Ms Currid-Halkett profiles is almost exclusively coastal and urban. However, that may yield a lopsided portrait of the top of the income pile: largely absent from her tale are the business-minded rich in politically conservative states.

The reader learns that residents of Dallas and Houston dedicate unusually low shares of spending to housing costs and to fresh fruit, and a relatively high portion to textiles, furniture and beauty products such as wigs—but not whether the rich among them mimic their blue-state counterparts in seeking to project virtue via heirloom tomatoes and the like. Perhaps a sequel might explore the values of Sun Belt suburbanites, and how this other half of privileged Americans signal status through their spending.

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