Switching Labels: The Role of Weberian Ideas in Market Change. A Case Study of the German Wine Market

How do cultural ideas shape market construction? What do ideas ‘do’ to actors in markets? The paper presents an empirical case study of the reconstitution of the German wine market following an EU legislative intervention. I use Bourdieu’s theory of fields to analyse the actors’ economic, social and cultural capitals and the impact of these capitals on the actors’ positioning in the political debate. Sensitised by recurring problems in the empirical data analysis I then, however, argue that Weber’s notion of ideas, as presented in his famous switchmen metaphor, is better suited than, or indeed should serve as a complement to, Bourdieu’s frame of analysis. It is better suited, I argue, because it refers to a unique and irreducible source of culture while Bourdieu’s capitals remain “tools” in a struggle for power and dominance in the field.

Keywords: markets; Bourdieu; wine; Weber; ideas; switchmen metaphor
Max Weber is a man of many quotes, but few have captured the imagination of sociologists more than his famous switchmen metaphor in which he states:

“Interests (material and ideal), not: ideas, dominate human action. But: the ‘world views’ generated by these ‘ideas’ often have functioned as switchmen determining the tracks in which the dynamism of interests would move human action.” (Weber 1986, my translation)

The relationship between ideas and interests is important in many contexts, perhaps most visibly with regard to the interplay of culture and economic behaviour in recent Economic Sociology. In what follows I want to take Weber’s metaphor as a template for analysing the influence of culture on the constitution of the German wine market. I want to show how the interests of economic actors can be construed in terms of their cultural and social contexts, and how these contexts, in turn, are structured by cultural classifications. My main point of departure from the existing literature, however, is that I do not view cultural classifications as cognitive categories primarily shaped and negotiated between the market actors but rather as ideas in the Weberian sense. As such my question differs markedly from other questions currently being discussed in the literature. It is not the question of how the product is classified (commodified, qualified, singularised) by actors as posed by Callon and colleagues (Callon 1986; Callon, Méadel, and Rabecharisoa 2002; Callon and Muniesa 2005). It is not the question of how actors come to adopt or switch categories as studied by neo-institutionalist scholars (Lounsbury and Rao 2004; Rao and Giorgi 2006; Rao, Monin, and Durand 2003, 2005; Anand and Jones 2008). It is not the question of how cultural classifications emerge (Zerubavel 1996; DiMaggio 1987). Nor is it the question of how cultural meanings are produced and how they impact on market order and price, as is the
topic of a major research project at the German Max Planck Institute for the Study of Societies (MPIfG). It is, in sum, in no way a question about what actors do with culture, but what culture (via markets) does to actors.

My frame of analysis is formed by Bourdieu’s field theory, well established in the sociology of markets (see the overviews of Beckert 2010a; Fourcade 2007; Fliigstein and Dauter 2007), combined with Weber’s notions of ideas and ideal types. Instead of using Bourdieu alone, as many market scholars do, I return to Weber for the analysis of the “culture” part in the term “cultural classifications” because I am not entirely satisfied with Bourdieu’s analysis in this particular regard. I will say more about this later on.

Weber is, of course, not unknown in Economic Sociology; on the contrary, he is regarded as one of the founding fathers. It is, however, mostly “Economy and Society” and “The Protestant Ethic…” that are discussed in this context, while I want to concentrate on his Introduction to “The Economic Ethic of the World Religions” (Weber 1986). I take my cue to link studies on religion with Economic Sociology from Beckert’s (2010b) treatment of Durkheim’s “The Elementary Forms of the Religious Life” within the context of the valuation of market goods.

My contribution is twofold. On the one hand, I want to contribute to the sociological literature on wine. The two main streams of interest in this field have hitherto been directed towards the economic importance of wine consumption and production. Thus, scholars from a Marketing background (e.g. Schiefer and Fischer 2008; Smith Maguire 2010; Worch, Le, and Punter 2010) have discussed consumer preferences and tastes, while Sociology of Markets scholars have focussed on studying the intangible properties of wine as a marketed product (e.g. Diaz-Bone 2007; Beckert 2010b; Rössel and Beckert 2012) and its pricing.

---

1 The English publications of Weber’s Sociology of Religion follow a slightly different segmentation in which this overarching title is substituted by the titles of the individual volumes like “The Religion of China” etc. The Introduction, however, refers to the overarching work.
conventions (e.g. Hadj Ali and Nauges 2007; Zhao 2008; Hay 2010). Other although less frequently recurring topics related to wine are the notion of terroir (e.g. Bohmrich 1996; Gade 2004; Whalen 2009) or the unreliability of wine tastings (e.g. Gawel 1997; Lehrer 1975; Solomon 1997).

On the other hand, I want to contribute to the sociology of markets literature by emphasising the role of ideas in their own right. Bourdieu has already provided an important contribution by attacking the rational choice notion of actors choosing freely from a cultural toolkit to promote their position. Instead, he has shown, actors enter the game culturally predisposed. At the end of this paper I argue, however, that Bourdieu does not go far enough in reversing the relationship between culture and free choice because he takes cultural significations to be derivative of the actors’ position in the field. Weber, in contrast, argues for an independent source of culture. Bringing the two together I hold that Weber’s notion is indeed needed to close a gap in Bourdieu’s methodology. At the end of the paper I point to the question of whether this gap in the methodology also reveals a gap in the theorisation of culture.

The remainder of this paper does not entirely follow the standard structure of an empirical paper for reasons that are related to my argument and critique. I will start in a standard fashion by describing the context of the data collection followed by a methodology section and some general results. This is followed by a two-pronged analysis of the product (drawing on Weberian concepts and methods) and the producers (drawing on Bourdieusian concepts and methods). The empirical part finishes with a “Conclusion?” section that, apart from summarising the results of the analyses, revisits some smoothing out efforts on my part and turns them, in two further sections, into a methodological and theoretical discussion concerning the independent role of culture. This “hiccup” in the concluding part of the paper,
which reflects a “hiccup” in the analysis, forms a part of the paper’s argument and indeed an important part of my second contribution.

Setting the Stage: Restructuring in the German Wine Market

The German wine market is one of the biggest wine consumer markets in the world. With a consumption of 20 million hectolitres per year, it ranks 4th in terms of wine consumed. In comparison, its wine production of 9 million hectolitres per year is quite small, and as a consequence, Germany is the biggest importer of wines with 14.5 million hectolitres per year, a fourth of all wine imported worldwide (Deutsches Weininstitut 2010).

German wine is produced in comparatively small production units. The biggest private wine estate comprises 85 hectares, while 40,000 families produce wine or grapes on less than 0.5 hectares. In comparison, the biggest U.S. producer, Gallo, owns approximately 9000 hectares; Antinori in Italy 1400 hectares. Over two thirds of German producers do not market their wines directly to the consumer but sell their grapes to co-operatives or wineries. I will use the term “winery” exclusively to translate the German “Weinkellerei” denoting an, often big, private company that buys in grapes to produce wine under their own labels. I reserve the term “wine estate” (Weingut) for private businesses that cultivate their own grapes and, as a rule, also sell their own wines.

In 2008, the EU Commission started a legislative process to restructure the European wine market. One part of this legislation was directed towards the labelling of wines. The issue that incensed the German wine producers most was that the new legislation adopted the French model of geographical provenance to indicate wine quality. The French model, developed originally in Burgundy and Bordeaux (Whalen 2009; Gade 2004), designates

---

2 This model is not restricted to France but applied in most of Europe except for Germany, Austria, the Czech Republic and Luxembourg.
certain areas of land as capable of producing wines of superior quality (the AOC or appellation d’origine contrôlée), whereas other areas can only produce wines of lower quality (VDQS, followed by vin de pays). The German model, in contrast, emphasises the “quality in the glass”. This means that grapes of any quality can be grown in any vineyard. The quality classification will be decided partly by the sweetness of the grapes (an indicator of maturity) and partly after the wine has been produced and is ready to be marketed. This latter part of the classification rests on a sensory test in form of a blind degustation by a group of independent wine experts. As can be expected in the light of the historical competition between France and Germany, the two systems were contrasted very sharply against one another, and defended heavily by their respective proponents. As quality is a major factor in the classification of wine as a product as well as in the producers’ identity, the two different quality logics played a very important role.

With the proposed changes in legislation becoming law in 2009, the German wine producers faced the prospect of not only losing their established logic but also being forced to adopt the logic they had vilified before. Political opposition from Germany and other countries was strong, but finally thwarted by the particularities of EU decision making processes. However, Germany managed to extract a period of two years in which the law on labelling would not take effect, so that national laws could be amended. My empirical data collection thus took place in a very propitious moment. Germany had to implement a national law by 1 January 2012, which implied that proposals had to be drafted by spring 2011 in order to pass through the national legislation process in time. My interviews were conducted

---

3 This is despite the fact that the logics have approached each other over the years. The French model has included quality tests “in the glass”, while German producers and consumers recognise the fact that some vineyards constantly produce better quality than others. This, however, has not affected the public discourse which still tends to contrast the logics sharply.
in the autumn of 2010. If we follow Swidler (1986), this moment of conflict is an ideal time to study culture “at work”.

Methodology

As far as my theoretical choices are concerned, I felt that, based on the more general reasons explained in the introductory section, Bourdieu would enable me to capture the political nature of the process better than any of the cognitive classification approaches referred to above. While these cognitive approaches tend to portray actors as rational beings choosing from a toolkit, Bourdieu’s relational notions of capitals, predispositions and interests allow me to link the actors to their contexts in a way that would not have been possible with the former. Weber, on the other hand, allows me to bring the product to bear on the producers in a way that creates a specificity for the particular market under discussion. If culture is about the content of ideas, then generalisations across markets (as are common in Economics) may not always be appropriate to the extent that different markets trade different products. And although I am not interested in a comparison of markets, the emphasis on content (i.e. product) serves me well to explore the role of wine as a product rich in cultural meaning.

The empirical part of the project went through several stages with each new stage triggered by my dissatisfaction concerning the data analysis and my ensuing theoretical reflections. While the first stage was also the first in temporal terms, the second and the third alternated and were sometimes conducted in parallel.

The first stage was centred on interview data. My main interest, as mentioned above, lay in the process of market (re-)constitution following the external legislative trigger. Since wine producers tend to be quite small units, I focused on their lobbying groups. This had, first, the pragmatic advantage of being able to address fewer but more important actors since
the lobbying groups were far more influential and vociferous in the political-legislatory process than individual (small) winegrowers. It, second, permitted me to bring lobbyists to the fore of academic attention in a field where issues are often discussed solely in terms of producers and consumers. At least in this case, these groups proved to be the “kingmakers” and dominated the discussion. Despite these advantages there are also clear limitations to this approach. The first, and most obvious, is that it provides a mediated access to the group I am discussing in the remainder of the paper, viz. wine producers. Lobbyists do not, and cannot, represent every member of their association. It is fair to say, however, that they represent the majority of the views as established by voting at the general assembly. A large number of interviews with individual producers would probably not achieve much more as I (as their academic representative) would have to generalise the views into a communicable pattern too. A second problem is that the views presented by the lobbyists tend to be more explicit, distinctive and politically savvy than views I would gather from individual producers. It would certainly make sense to explore their role in more depth and compare their views with those of the members of their respective association, but this is beyond the scope of the present paper.

I was fortunate to be granted interview time with the presidents or executive directors of the major groups (for a description see Table 1), viz.:

- German Winegrowers’ Association (Deutscher Weinbauverband)
- German Wine Exporters’ Association (Verband der Deutschen Weinexporteure)
- Association of German Wineries (Verband der Deutschen Weinkellereien)
• Association of Farmers and Winegrowers Southern Rhineland-Palatinate (Bauern- und Winzerverband Rheinland-Pfalz Süd)
• The Association of German Quality and Prädikat Wine Estates (VDP)
• Order of Wine Culture in the Palatinate (Weinbruderschaft der Pfalz)

As many of these associations still follow a non-professional model of representation, their presidents, as a rule, are also involved in wine-making as producers or distributors.

In addition, I interviewed one representative each from the biggest regional Ministry for Viticulture (in the Rhineland-Palatinate4), the Chamber of Commerce, the Chamber of Agriculture as well as the International Organisation of Wine and Vine (OIV), which produces global standards for wine quality and winemaking. In total, I interviewed ten representatives. The interviews were qualitative, semi-standardised, and of 30-80 minutes length. My questions focused on the interviewees’ perception of the reasons for the proposed changes, the political process leading to them, their current stance with regard to proposals for the national legislation, and their predictions concerning the future of the German wine market under the new legislation.

A second stage of research concentrated on the ideas around the product wine. To build the cultural typology, I used Weber’s method of Verstehen. In Schütz’ interpretation of the Weberian concept, Verstehen refers to “the experiential form of common-sense knowledge of human affairs” (Schütz, quoted in Schwandt 1994, 120). In a similar vein, the hermeneutic anthropologist Geertz (1999, 353) states in a defence of his semiotic (i.e. structural) view of culture: “Culture is public because meaning is”. To both, Verstehen is not a subjectivist endeavour but an elucidation of intersubjective meanings. The method of Verstehen includes a construction of ideal types. I understand ideal types with Weber (1985, 191ff.) as the

4 Two thirds of the German area under cultivation are located in the Rhineland-Palatinate.
organising ideas of a socio-historical phenomenon. In this meaning, they aim at fulfilling the phenomenological requirement of an understanding (geistige Schau) of the research object that discards all irrelevant and attributional characteristics and focuses instead on the essence (Bochénski 1993). Ideal types are arrived at by exaggerating certain aspects that are deemed to be of cultural relevance, i.e. relevant to the explanation of the phenomenon in terms of its relation to the cultural context (Weber 1985, 191ff.). Weber also attributes them a “genetic” function insofar as they are used to construe relations of reason and consequence, or cause and effect. A construction of ideal types presupposes a wealth of material from which they can emerge. Ten years’ activity in the wine sector\(^5\) has provided me with this material in a way that a one-off data collection never could. It has also provided me with, in the terms of the same hermeneutic tradition, a contextual understanding (Vorverständnis) that enabled me to arrive at a richer and more nuanced interpretation of the “public meaning” and the interview data than a scholar without my experience would have been able to. There is, of course, a danger of putting too much of one’s own views into the interpretation, but that was mediated by the fact that I had been away from the industry for many years and had no stake in the political discussion at all. I have, however, taken care to check the plausibility of the types with some of my interview partners when I sent them a report on my interviewing activity. I hope thus to have satisfied the evaluation criteria of authenticity and plausibility that Golden-Biddle and Locke (1993) specify for ethnographic (interpretive) research.

\(^5\) I grew up in a village where about two thirds of the population were involved in winemaking, so, naturally, most of my friends and their families would come from that background. My mother owned a few vineyards and my father sold wine by the barrel, so when my brother started a degree in Oenology (the study of wine and wine-making), we pulled our resources together and he and I established our own wine estate in 1981. I was responsible for sales, which included everything from bottling and labelling to wine degustations. In addition, I worked voluntarily as a representative of the wines of the Palatinate in 1985/86, which took me to a number of regional, national and international fairs and events. It was during that time that I also got an insight into the regional politics of winemaking and met a large number of producers beyond my own area. My involvement with the wine industry ended in 1993 when I moved away to pursue an academic career.
In a third stage, I complemented the interviews with a Bourdieusian field analysis (2010, 2005) by identifying the structures that produce agents’ dispositions and behaviour. Bourdieu assumes that these dispositions and behaviours are generated (in the forms of habitus and capital) by the differential structure of the field. I studied documents from 2007-2012 (wine estates’ websites, press releases and interviews) and had informal talks with people in the industry in 2012 to describe the social and cultural capital of the producers. I, furthermore, drew on secondary economic data to make my case concerning the economic capital of the actors. This secondary data, it should be noted, is in most cases based on the voluntary disclosure of sales and profits by producers since producers, with very few exceptions, are not public companies and thus not obliged to publish income figures.

To collect the educational background data, I had to identify the various sets of producers as described below in the Weberian Analysis as sets of empirical individuals. For the “wine as high culture” producers I have referred to the Gault & Millau Wine Guide 2012 (Payne 2012), which is commonly regarded the most important rating agency in German viniculture. The Wine Guide rates the top 10% of German wine producers according to a “five grapes” system, with five grapes indicating highest international quality standards and one grape indicating good quality. In addition to this, 340 producers are listed as “recommended”, which signals potential to move into the categories in the coming years. All producers not listed in the Guide I have classified as belonging to the “form of living” type. I have selected the top wine producers as listed in the most recent edition of the Gault & Millau Wine Guide and have taken the producers rated at “5 grapes” from all German wine regions plus the ones rated at “4 grapes” from the largest region, the Palatinate. I then investigated the educational background of the owners (or the managers in the three cases where the owner had bought the estate for financial reasons only and took no part in the running of the estate). This gave me 22 wine estates. If there were several owners, I would
check the educational background of the youngest generation member or, if all owners were of the same generation, of them all. Information concerning the educational background came, again, either from documents relating to the wine estate or from informal conversations.

**The Proposals of the Lobbying Groups**

In the interviews, two proposals emerged for the restructuring of the labelling practices. One, which I will call “vertical”, accepts the French model by demanding that “the smaller the region of provenance, the higher the quality”. This implies a pyramidal quality structure ranging from “EU wines” as lowest quality to individual vineyard sites as highest. In terms of volume (i.e. yield per hectare), producers would face strict limits on wine labelled with individual vineyard sites, while limits would be generous for wines at the low end.

The second, “horizontal” approach accepts the new demand that geographic provenance should be linked to quality, but rejects the idea that wine from a larger region should necessarily be of lower quality. Proponents of this approach take the established 13 wine regions (*Anbaugebiete*) as the geographical identifiers that every quality wine has to bear. This would, however, be a minimal criterion. The major quality classification would continue to rest on the established “quality in the glass” system, i.e. organoleptic evaluation, and the categories that traditionally went with it. Hence, as before, every quality level could be produced in every vineyard.

Apart from the content, proponents of the two approaches differ markedly in their view on the current market situation, the consumers and the role of the law. I exemplify this further with interview extracts in the Bourdieusian Analysis part of the paper. Proponents of the vertical approach see the market since 1971, the year in which the current classification system was introduced, as constantly failing expectations. Following “the deepest valley of
tears”, as one of my interview partners put it, in the 1970s and 1980s, the market has seen a revival but only in those niches that ignore the current classification system and put up their own classifications and brands. In other words, wherever the market functions, it functions *despite* the classification. Proponents of the horizontal approach, on the other hand, point to the fact that on the German market supply of German wines balances demand for them. They see this as an indicator that the classification system works well bringing the required order and transparency to the market.

A second bone of contention relates to the role of the law. While proponents of the vertical approach would like to see the approach become legally binding for everyone, the proponents of the horizontal approach favour a more emergent strategy. They want legislation only to specify the minimum requirements leaving room for a “bottom up” approach in which producers would have time to work out practices and voluntary classification systems that people would be free to join or not.

A third difference in perspective is the view of “the consumer” (mostly used in the singular in the interviews). Proponents of the vertical approach argue that the “normal” consumer (minus experts) has not managed to understand the current classification system during the 40 years of its existence. It is, they say, too complicated because it requires consumers to take oenological facts (like concentration of sugar or acidity) into account. In consequence, consumers do not know that a “Spätlese” is superior to a “Kabinett” in the legal quality hierarchy and are not willing to pay a higher price for the former. The vertical model, in contrast, rests on geographical names that are easily identified and brought into a hierarchy (EU > Germany > Region > Town > Vineyard). To this proponents of the horizontal approach reply that there are consumers who are interested in wine and know the classification and consumers who are not. The latter will not be amenable to any classification system because they simply will take no notice of it and (continue to) buy
brands. Hence a classification system will always only speak to a certain group of consumers, and this particular group has, after 40 years, understood the German system and should now not be confused by the introduction of a new one.

In sum, I encountered a field that was not only characterised by a struggle over two different political proposals but by very different, even contradictory, interpretations of the past, present and future. In addition, I found that there was no straightforward way to order the proposals and interpretations along obvious lines. On the contrary, I found, for example, that successful producers do not defend the status quo that has allowed them to become successful but call for a change. Or I found that the two representatives of export producers supported different proposals. How to make sense of this in terms of an analysis? My gut feeling at the time was that I needed to look less at actors, i.e. personality or social embeddedness of my interview partners, but at the product we had been talking about. I will hence continue my presentation with a product-centred analysis of the situation.

The Product: A Weberian Analysis

Most people involved in the production of wine would agree that wine is a very special agricultural product. In occidental culture, it is the only remaining “holy” drink with the potential to symbolise (or, depending on denomination, even be converted into) Christ’s blood during the Eucharist. In the secular sphere, wine and its derivative champagne

---

6 Wine brands ignore the legal classification system in favour of an easily recognisable label. Most wineries will have their wines certified on the lowest legal classification counting on the brand value to compensate for the lack of quality classification.

7 Gut feelings are not often invoked in academic papers. My reasons for doing so will become clearer towards the end of the paper. May it suffice at this stage to trace them back to my own habitus and my familiarity with the field I am studying. (I thank one of my anonymous reviewers for this valuable insight.)

8 I use the term ‘embeddedness’ in a non-technical way. In particular, I do not refer to Granovetter’s (1985) usage of the concept. Although Granovetter’s groundbreaking work has helped to counter over-socialising tendencies in Economic Sociology (Beckert 2006), his usage of the term is, for my purposes, too closely linked to social networks and network analysis (Swedberg 2003). In the present paper I have not only not conducted a network analysis but also want to focus on the cultural and political forms of embeddedness that do not figure prominently in Granovetter’s approach (Smelser and Swedberg 2005; Fourcade 2007). I think both aspects are much better covered by Weber’s and Bourdieu’s theories.
symbolise luxury and refinement. It is used to celebrate special occasions and has given rise to a complete culture of the initiated comprising wine experts, arcane vocabulary and sumptuous displays in the form of tastings, fairs and auctions. None of this is of recent origin, but can be traced back to the Middle Ages and, for some forms, even to Antiquity. Wine is, in fact, the only European drink that has had its own god. Over the centuries, the cult(ure) of wine has formed the culture of regions: Be it Burgundy or the Moselle Valley, viticulture has had a lasting impact on the landscape, infrastructure, customs and minds of the inhabitants, even those who are not involved in wine production. This brief description may serve to anchor two of the three above mentioned types: wine as high culture and wine as a form of living. In the course of the 20th century, the production of wine, like that of many other agricultural products, then became subjected to the industrial logic of mass production. However, maybe because of its high status, this subjection was never complete, and in consequence the wine market was more or less split into a mass production sector and an artisanal sector in which wine production continued to follow the traditional lines and logic. The industrialised version of wine making and consumption gives rise to my third type: wine as a mass product.

A comparison of the three types helps to sharpen their profiles. The form-of-living, as the name already indicates, describes living with, and of, the wine; something that permeates all daily activities. The wine producers and their families (most of whom are involved some way or another) earn their living from wine and are embedded in social relations – extended family, village and associations – that are themselves characterised by wine-making. The same applies on a longitudinal basis because inheritance is the major transmission factor, passing the estate from one generation to the next. This deep embeddedness prevents, to a certain extent, reflection as most structures and the product itself are taken for granted. Due to this, planned change rarely happens unless triggered from outside. Even if a business logic
is adopted, it is often felt to be “external” in the sense of a reaction to external constraints of the capitalist market rather than a personal conviction. The product is not designed but “there”, sometimes of better, sometimes of lesser quality, but without the urge to optimise production. In sum, the form-of-living, as an ideal type, promotes a rather conservative attitude along the lines of “We can cope, so why change?”.

In comparison, the high culture type refers to a far more reflexive approach to wine and wine-making. These producers are, too, socially embedded in a world of wine, but reflect this embeddedness and their activities. The reflexive tendency can be explained by their cultural capital. Producers of this type normally can look back on an “ancestry” of wine-making. Their estates are often 200-300 years old and have been profitable throughout the time. They not only own the best vineyards but also enjoy a high reputation. The heirs of the estates, as a rule, have studied at university, often a second subject (Law, Business) parallel to their viticultural education. This theoretical education promotes reflection. More importantly, the generational transmission (Bourdieu 1986) is intact and helps them to accumulate cultural capital even more quickly and efficiently. Quite simply, they are socialised to take a particular – in their case, reflexive – view on wine quite early on through discussions around the family table and with their parents’ networks. This reflection enables producers of this type to evaluate their assets and use them strategically. The cultural capital, moreover, allows them to benefit most from the symbolic potential of the product.

The mass product type, finally, obeys the same economic imperatives as any mass product. The product is hardly differentiated and forced to create an identity through branding. This shifts the importance away from the producer to the distributor, whose marketing “makes” the product. The distributors, on the other hand, do not even need to know much about wine-making; their knowledge is as often located in management or business in general. Not surprisingly, this type is the “black sheep” among the three; the type
hardly ever mentioned in interviews and discussions despite the fact that its distributors control 50 per cent of the market. The mass product type is in some regards linked to the high culture type. For one, it needs the high culture image to create successful brands. It, secondly, has a similar reflective view on the product and the market, although in the case of the mass product type the reflective distance is not (or not in the first instance) created through education but through the commodification of the product.

Towards the end of this analysis, we have already touched upon the producers, and it makes sense to continue the analysis with a closer look at what Bourdieu would call their capitals.

The Producers: A Bourdieusian Analysis

Linking Types and Capitals

Table 2 shows how, following the three ideal types of the product, three ideal type producers can be linked to the three forms of capital respectively.

I will discuss the individual boxes in more detail below and support them with statistical data. In order to do that, however, I have to identify empirical units of analysis rather than ideal type units. The different groups of producers I am going to talk about in this section straddle the types as presented in Figure 1. I will thus take top wine estates as best representing the “wine as high culture” type. Other wine estates and producers selling wine by the barrel or in grapes I will consider to belong to the “wine as form of living” type. The “wine as mass product” type is best represented by the wineries.
As regards the cultural capital, I could establish the educational background of 27 of the 28 persons originally identified as high culture type producers. Of these, 20 persons had a university degree. Having talked to teachers in the German oenological education system, this trend has been confirmed. While parents from top wine estates are willing and able to send their children off to university⁹ before they take over the estate, lower segment producers only see the immediate need of the children continuing to work on the estate. They hence encourage them to opt for a much shorter education path.

Social capital rests mainly with the form-of-living type producers that make up the medium-price segment or act as suppliers for the low-price segment (without being part of its economic success because they have to sell their wine cheaply to the big wineries). As I explained above, it is those people who are embedded in local and regional associations, which in turn form the basis of the regional and national lobbying groups. To support this, I have looked at the professional background of the board members of the national and regional sections of the National Winegrowers’ Association. Of 20 people acting as presidents or vice-presidents, 3 appeared in double functions. Of the remaining 17, 4 persons owned farms and were not professionally related to viticulture¹⁰. Of the remaining 13, 10 owned a wine estate. Of the 10, only 4 were mentioned in the Gault & Millau Wine Guide. Hence, according to the criteria outlined above, more than two thirds of the wine-related persons belonged to the “form of living” type. Looking at functions instead of persons (i.e. including the double functions), the proportion rises to three quarters (12 out of 16). If we, in addition, assume that people tend to elect as their representatives people whom they perceive

---

⁹ Note that university education in Germany is free, so this is not primarily a financial decision.

¹⁰ This is due to the fact that many regional groups represent both winegrowers and farmers.
to be similar to themselves, we find this effect multiplied as we go down to the local committees.

In terms of economic capital, the German wine market can roughly be divided into three price segments. One is a high-price segment (8€/£6.40 and more per bottle), a medium-price segment (3-8€/£2.40-6.40), and a low-price segment comprising wines sold at less than 3€/£2.40 as well as wines sold by the barrel. The low-price segment takes up roughly 50% of the market (Ministerium für Wirtschaft 2010).

Looking at the producers’ economic data (Ministerium für Wirtschaft 2010), we find that 48% of the firms operate below the profit threshold needed to sustain a wine estate. These producers live “off the substance”, i.e. cannot invest in new machinery or have to sell land. In many cases, their estates will not be passed on to the next generation. Another 22% of the firms operate at the threshold.

If we compare those with the highly successful group of top wine estates, we find that the latter invest only 25% more but make four times as much profit (Mend 2010). The owners of the largest top wine estates give their sales figures as 5-600,000 bottles annually (Payne 2012). If I assume a median price of 20€/£16 per bottle, this amounts to ca. 10 million euros (£8 million) of annual sales.

These figures, however, are dwarfed by the sales data of the industry’s giants, the wineries. Peter Mertes, the largest German winery, boasts a turnover of 200 million euros (£160 million) annually (Brück 2008). The second largest winery, ZGM, gives a figure of 150 million euros (£120 million) (Simon 2010). Even the winery of the chemical giant BASF – which forms only a part of the social and cultural commitments of the headquarters located in the Palatinate rather than a serious commercial venture – reaches 5.8 million euros (£4.65 million) per year (Financial Times Deutschland 2007).
The main thrust of a Bourdieusian analysis must be to show how the producers’ interests and positions (for an overview see Table 3) are generated by their position in the field. Since this paper’s focus is on culture I will concentrate in the following on the cultural capital of the producers. Bourdieu (1990b, 124f.) explains that cultural capital can only function if it is related to the “production of producers”, the central mechanisms of which are family and education. I have already shown above how high culture type producers possess higher education qualifications to a disproportionate degree. The issue of proportion is important because Bourdieu (2010, 26) argues elsewhere that it is the structure of the capitals (i.e. their relative weight within one person’s “budget”) rather than the absolute volume of a form of capital that structures the preferences of the individual. In this line of argument, I can show how, on the one hand, high culture producers as well as the majority of the mass product distributors favour the vertical approach, while proponents of the horizontal approach are drawn from the form-of-living type producers.

In terms of the high culture type, we can identify a differentiation strategy that aims to stratify the market more clearly:

“The world is differentiated in this respect, and so the products on offer must be differentiated.” (I2)

As Bourdieu (1984) shows, differentiation is a typical strategy for owners of cultural capital as they try to set themselves apart from “the rest” and protect that position. Moreover, as owners of the most prestigious vineyards, there is little doubt that these producers will be

---

11 The identifier in brackets refers to the interviews that I have conducted and that I have numbered in a random fashion to anonymise the respondent.
able to maintain their price level or even increase prices. The call for legislation to guarantee this differentiation is also a reflection of the traditional proximity of this class of producers with the state and its laws (Bourdieu 2010):

“I think the market could regulate that itself, but in that case the state should not interfere at all. The moment the state starts interfering, however, it must do it systematically and consistently.” (I2)

The mass product distributors would benefit from the model by creating an even more prestigious high culture segment that would then aid their branding activities:

“We must arrive at a proper differentiation. We know that we need the top producers and prices to pull the rest along.” (I3)

In proposing a model that reverses some of the traditional assumptions, we can also identify in both groups the reflective attitude that seeks to design laws and regulations in order to produce optimum outcomes:

“The system that, to a large extent, we have helped design gains more and more ground, to say: the smaller the geographical area, the higher the quality.” (I2)

They also see quite clearly that their opponents have no such designs:

“One is placed next to each other on the shelf and in competition, and one must succeed. That’s what these rather traditional, more restrictive thoughts of the [other lobbyists] do not understand.” (I3)

Or:

“[These producers say:] ‘I don’t want to explain to my 500 customers why my wine label no longer says [names a vineyard location]. It works fine for me.’ Still, if
you did a proper business calculation your hair would stand on end to see what these estates earn. It’s shocking.” (I2)

This becomes even more visible in comparison with the proponents of the horizontal approach, most of whom can be linked to the form-of-living type. These producers want to keep the old model as much as possible, only bowing to the absolutely inevitable legal amendments:

“I, personally, prefer the people to come to an agreement on a local level. Thus, the people of [names town] or [names town] should say: we want to do this and this. Of course, you must be able to determine which geographical area has which profile if you come to an agreement. If, however, this needs to be written in the law or if people just say: I’ve got the possibility to put this on the label. I think getting started is more important than discussing this for years on end. The French have a system grown over many years, and they have adopted the principle that anything laid down in the AOC regulations must follow a local tradition, that the people have come to an agreement locally.” (I6)

Or:

“That could just as well be introduced to the market through private initiatives. Why should this be regulated by law?” (I7)

Relying on their social capital, it is them who argue for less legislation and for more voluntary regulation. They favour bottom-up approaches. Instead of seeking a new design or optimum solution, they usually talk about the “political chances” of a model and look for possible compromises among the various lobbying groups:
“I tend to consider what can be achieved realistically. What are people prepared to support?” (I6)

Or:

“And of course the people involved should be consulted in any new formulation. Those from whom you take things away [referring to adherents to the old model]; not those to whom you give [referring to high end producers]. For this reason I don’t push this decision-making process by saying ‘I want this to happen in that way’.” (I7)

The push to design laws rather than distil them out of traditions is characteristic for high culture type producers because they, first, have the means to influence law-making in line with what Bourdieu (2000, 181) calls access to social order mechanisms. They have, second, the required attitude due to their high valuation of symbolic properties (Bourdieu 2010, 26). Having gained this high valuation through education (Bourdieu 1990a, 112ff.), high culture type producers feel quite at ease in manipulating symbolic properties to their advantage. A striking example of the valuation of symbolic properties can be found in the discussion of the notion of “terroir”:

“In the wine world, whether you go to the US or to Asia, there is no doubt among the experts that there are terroirs beyond France. Let’s say: the knowledge about the terroir, about the vineyards and their specifics […] is most developed in France because it has been cultivated for centuries. I, personally, firmly believe that we must go the same way in Germany because we have the same knowledge about the vineyard locations.” (I2)

This position stands in marked contrast to the following from a form-of-living type producer:
“We all know this philosophy coming from the Romance law and resulting in this completely overstretched notion of terroir in France. It doesn’t matter if the winemaker of Chateau XX is still good, but it has once been classified as Grand Cru classe because of the limestone and the water and the inclination of the hill. That’s feudal thinking.” (I7)

Cultural capital can, however, only become symbolic as it is misrecognised as capital and viewed instead as a legitimate, even taken for granted, feature of the social world (Bourdieu 1990a). To this end, the owners of cultural capital will display a certain disinterestedness in the process and its outcome:

“Let’s be clear about this: we, our 200 members, don’t care about the result either way. We have our system [of voluntary quality declaration], and as long as nobody prevents us from applying that – and for the moment nobody dares because we have been much too successful with it – we will continue with that and continue to be successful no matter what the outcome of this process will be. The people adversely affected if nothing changes will be estates like [names non-members of the association] who try to build something akin to what we have and who are impeded and slowed down by other competitors.” (I2)

Bourdieu (1990b) stresses, however, that this disinterestedness must not be viewed as a façade or cynical lie of the people in question but rather as a sincere statement born out of their structural position in the field.

INSERT TABLE 3 ABOUT HERE
The structural analysis also allows me to explain the differences in argument that were produced by differences in the semantics of the central notions. One heated argument, to recapitulate, concerned “the consumer” and the extent to which “he” had understood the old model or not. The argument of the vertical approach was that, in the 40 years since the old model was introduced, consumers had failed to understand it, which implied that it was too complicated. The market hence needed a new and simple model based on easily recognisable units of reference: the geographical areas.

“That is something we have learned over the last decade: what you can easily communicate will stay with the customer. If I explain to him: the narrower the geographical area the higher the quality, then that is a principle he can remember.” (I2)

The horizontal approach, in contrast, argued that much effort had been invested in teaching consumers the old model, which they had come to understand by now. Changing the logic now would confuse people and require new efforts. This would not only cost money and energy but potentially drive some consumers away. Changes to the established model should hence be kept to the unavoidable minimum:

“We think it is not so easy for consumers to learn a new system.” (I6)

A third group argued that consumers neither had understood the old model nor would they understand any other as they were simply not interested in any quality classification and buy brands instead.

“Q: And you think people will buy mostly…?
A: … the wine they like. And the ones that are on offer.” (I4)

Or:
“And, actually, the labelling… let’s be honest… is almost irrelevant. And for the consumer it is absolutely irrelevant.” (I3)

A structural analysis reveals that the three groups refer indeed to three different groups of consumers, each structured in homology (Bourdieu 2010) to one type of wine and thus one type of producer. We can thus identify, respectively, wine experts (high culture), people who drink wine for the social benefits without engaging with connoisseurship (form-of-living), and consumers of the mass product. The latter are, quite interestingly, often referred to as “non-wine-drinkers” despite the fact that they buy and drink wine. This is another indicator of the black sheep image of mass product wines. Presented like that, all three descriptions of “the consumer” given in the interviews are true and consistent; they just refer to different types of consumers. Not surprisingly in this light, high culture producers talk about high culture customers:

“And if I do this then I will try and make a product that tastes better or is more sustainable so that the consumer is willing to spend two euros more on the bottle.” (I2)

Form-of-living producers talk about form-of-living customers:

“We have gone too far into the other extreme, and now the pendulum swings back. Okay, I can take those producers… smallest geographical area and tie a stone to the bottle so that everyone can see where it’s grown… that’s over the top. Because I can only sell 10-15% of the wines at that price and quality. And that is because people don’t want to drink wine only on a Sunday; they want to drink wine every day. […] They want a litre bottle with a screwcap.
They want a simple wine to drink when they are together.” (I9)

And mass product producers have mass product customers in mind:

“So the question is: what will the consumer do? He’ll say: no, a Riesling for six or seven euros… That is something [names high end wine estates] can sell, but there are consumers who don’t have that sort of money. And that is where we operate, with consumers who buy a bottle of wine for three to six euros.” (I4)

**Conclusion?**

The paper has used a Bourdieusian framework of analysis to show how the distribution of economic, social and cultural capital among the producers in the German wine market affects their interests and positions in the political struggle over the reconstitution of the market. I have shown that it is possible to distinguish between three kinds of producers with specific capital distributions, and that these capital distributions are linked to their respective support of one of the two legislative models under discussion. The two models, hence, stand on either side of the fault line dividing the interests of the high end and mass producers from the “middle stratum” producers. I have also shown that the arguments they use to promote their respective models are derived from the more general templates Bourdieu provides. In this vein, the paper has contributed to an understanding of the German wine industry in a moment of crisis as well as to the role of Bourdieusian capitals in the (re-)constitution of markets.

This paper could end here. Culture, in the form of cultural capital, plays a role in market constitution through the mechanisms identified by Bourdieu. With regard to the
German wine market, they take on the specific forms I have described above. *Quod erat demonstrandum.*

What has fascinated me even more, however, is that actually not a lot is demonstrated in respect to culture and that what I have been able to demonstrate is partly owed to a methodological sleight of hand (see the reference to my “gut feeling” earlier). This leads me to some additional theoretical considerations.

**Critique**

What appears to be a smooth analysis if rendered as above, looks less smooth in theoretical terms – the fact that I had to go through three empirical iterations may already serve as an indicator of this. The problem centres on the role of culture, or in Weber’s terminology: ideas.

Let us start, however, with Bourdieu. In “The Social Structures of the Economy”, to use the analysis that is closest to mine in aim and conduct, Bourdieu (2010) applies the usual empirical tools of a structural analysis (surveys, statistics, interviews) to establish the distribution of economic, social and cultural capital in his unit of analysis (house buyers). This enables him to construe a three-dimensional social space with the three forms of capital as axes. He also conducts a phenomenological analysis of the cultural meaning of “the house” arguing that its significance will vary depending on the social position of the person in question. Thus, for example and rather crudely speaking, a house may be a family heirloom to the rich, while it signifies a place to dwell for the poor. By doing this, Bourdieu seems to accept the necessity of a phenomenological analysis *in addition to* the structural analysis. The way he does it, however, makes the phenomenological content (the ideas) appear dependent on the position of the actor in the field. He says, for example, that “experiences and expectations are differentiated, and are so according to a principle which is simply that of the
position occupied in social space” (2010, 25). Later he speaks of his parameters as a “system of determining factors” (2010, 25). While I don’t want to negate the fact that these factors play a role – nothing is further from my mind than to present an either-or argument here – I hold that there is no theoretical or methodological argument in Bourdieu’s account that would show that particular ideas/significances are indeed intrinsically linked to, or arise out of, a particular social position. Once the ideas are given they can be linked to positions (as I have done) but they cannot be deduced from the positions. Moving from the phenomenological analysis (pp.20-24) to the structural analysis (pp. 25ff.) Bourdieu uses the same sleight of hand as I have done – a sleight of hand based on plausibility, but nothing more.

If my argument is correct so far, this means that the actors’ social space cannot, or cannot exclusively, explain the various meanings of the product. These meanings, however, as Bourdieu would concede, structure the market too. If follows that we are left with a structuring principle – ideas, significations, meanings, i.e. culture in its most elementary form – that cannot be grasped through a Bourdieusian analysis of capitals, field and habitus. The reason for this is that, as Friedland (2009) points out, Bourdieu’s fields are first and foremost characterised by a struggle for power in which each actor and each group seeks to improve its position. Everything is thus reduced to a political (power) perspective. And although power in the various fields operates through culture, it is not itself cultural. This is an important caveat for any study of culture using Bourdieu.

I would, however, not want to conclude on this critical note as there are two constructive conclusions to be drawn from this. The first concerns the analysis of markets. I think my analysis has shown not only that cultural factors should be taken into account in any analysis of a market, but that the cultural factors (here: the significations of the product) can be so central that any analysis is inadequate without them. It also means, more importantly,
that there are limits to the comparability of markets trading different products and that, in consequence, a generalisation of “the market” is a barren and empty notion.

The second constructive conclusion concerns the independent status of ideas. If they are (partly) independent of the actors’ status, what is this independence based on? I think Weber can shed more light on this question although I can only sketch the emerging picture in the remainder of this paper. Weber’s theoretical construction is in many respects similar to Bourdieu’s (or rather, vice versa). Like Weber, Bourdieu assumes that the same idea gets interpreted differently in different social groups. Like Weber, he sees that the expression of interests is shaped by those different ideas. The two depart, however, when it comes to the autonomy of ideas. As Weber (1986) explains in the Introduction, religion cannot be reduced to psychology or material conditions (nor, we may add, to power and politics), but draws on its own sources. It may be modified by many things, but it is never reducible to them. Ideas, in other words, are not just tools; they have an obstinate irreducibility to them. This is where phenomenology and social construction part company, and this is where Weber can say more than Bourdieu. Ideas are more than convenient constructs to promote one’s capital structure. They are switchmen; they lead people into certain actions.

A Return to Weber

In the Introduction, Weber (1986) cautions that religion cannot be reduced to materialist interests or psychological motives but is a force in its own right. Religion, he explains, draws primarily on religious sources, viz. propagation (*Verkündigung*) and promise (*Verheißung*). The latter refers to solutions for existential problems like putting an end to poverty, curing illness or averting suffering, while the former shows the ways to achieve what has been promised through, for example, belief in the power of a particular person or adherence to behavioural practices like chastity or charity. Historically speaking, the hope of
freedom from suffering has always produced a “theodicy of suffering”, as Weber calls it, i.e. a systematic codex explaining the reasons for suffering and ways to overcome it.

From this point of view, religion, through its promise, has a very palpable, everyday, existential basis in the experience of personal suffering, illness or hunger. The same goes for the ultimate goods (Heilsgüter) a religion is oriented towards. They are, according to Weber, not sought because of their transcendent nature, i.e. the promise they carry for an afterlife or life beyond, but for their immediate gratification and everyday value. It is only the “virtuosos” of religious life (ascetics, monks etc.) that seek and prioritise the transcendent value, while the mass of believers remains firmly grounded in the Here and Now. The form of the ultimate good depends on the character of the class that functions as its most important “carrier”, and it is here that, historically speaking, the intellectuals have played a most decisive role. Generally speaking, they were the ones that sublimated the lack of the ultimate good – as characterised by famine, drought, disease, misery or death – into an idea, and quickly a path and a system, of redemption (Erlösung). This system of redemption was rational: It entailed the idea of a sensible cosmos and obstacles to its perfection. It required the intentional removal of these obstacles, and it provided a system of causes and effects to plan that removal. This general system took on the particular content that mirrored the lifestyle of the particular intellectual class so that different religions would develop under different historical circumstances: fleeing the world or working in it, denigrating the body or not, viewing people as servants or beings with their own dignity.

This is where the switchmen metaphor is located, as Weber maintains that the content of this system, its specific goods, ultimate sense, pathways and obstacles, depended on the character of the intellectuals in question. Their ideas and world views (Weltbilder) determined as switchmen whether people’s general desire to escape the hardships of the world took the form of, for example, revolting against political injustice or forsaking the
impure body or seeking inner peace. Following Schluchter (2008) I could further clarify the metaphor to say: people’s actions are trains driven by interests and led into tracks (institutions) by switchmen (a powerful caste’s ideas).

A good scholarly argument, however, needs to go beyond metaphors, so the question remains: How do ideas lead people into actions? We probably immediately think of a decision-making choice between two ideas, but neither Weber nor Bourdieu follows this rational choice route. Bourdieu talks about ideas mostly in the context of embodiment (habitus, socialisation). This leads to the interesting question of whether an idea whose main characteristics are being embodied and not reflected upon should be called an idea at all, but this is something I cannot follow up here. Weber retains the traditional notion of ideas as spiritual, i.e. non-embodied, entities. But what are ideas and how do they “work on” actors? In the Protestant Ethic, Weber dedicates a whole chapter to the discussion of the notion of the “spirit” (of Capitalism) defining it as “a historical individual, i.e. a complex of contexts in historical reality that can be viewed as a conceptual whole as far as its cultural meaning is concerned” (Weber 2005, 36, my translation, emphasis in the original). While this is still rather vague it clearly refers to the ideas behind the phenomena. These ideas are not phenomena themselves and are thus neither explicitly expressed in interviews nor directly to be gathered from statistical data. They are, hermeneutically speaking, the things you have to know already in order to understand.

In the little space that remains I cannot do full credit to Weber’s subtle and thoughtful analysis, but the concept he presents right after this definition (first appearing on page 40) is indeed the core concept to hold on to in pursuit of these questions. It is Weber’s notion of

---

12 As a native speaker of German schooled in a German approach to the Geisteswissenschaften and now living and working in the English context, I have come to realise that this quote is probably impossible to translate in its richness because it loses most of the important connotations when transferred to an English social scientific context. I hence also quote the German original: “ein historisches Individuum […] d.h. ein Komplex von Zusammenhängen in der geschichtlichen Wirklichkeit, die wir unter dem Gesichtspunkt ihrer Kulturbedeutung begrifflich zu einem Ganzen zusammenschließen.”
“ethos”. Cultural ideas and significations become switchmen as soon as they adopt an ethical dimension, i.e. a dimension of valuation that “shuts down” certain “tracks” and “opens up” others. A detailed discussion of the implications of this normative notion for the relationship between culture and markets must, however, be reserved for another paper.
References


