

# Introduction

## *An Inquiry into the Cultural Wealth of Nations*

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THE EVIDENCE HAS BEGUN TO ACCUMULATE. Economic success results from the symbolic resources—collective narratives, reputations, status, and ideas—that nations, regions, and communities have at their disposal. Studies that focus on the material resources within a territory, or the human capital of its population, fail to explain why countries with similar levels of material and human capital endowments find themselves moving at different rates of growth. Some countries are better able to attract foreign direct investment or global tourists compared with their similarly resourced neighbors, and some industries find that the country of origin labels marking their products can make them more attractive (and therefore more economically valuable) in foreign markets. This volume explores the different ways that industries become advantaged (or disadvantaged) in the global marketplace by virtue of their location and by virtue of the meanings encased in place.

Having one's firm "home grown" in Italy differs from having the same type of firm started in Switzerland, especially if the firm is in the high-fashion industry. The opposite might be true for financial consulting. A firm's products and services are wrapped in the narratives that relevant market actors share about the kind of place that anchors the firm and the types of things people in that place are good at doing. Consider too the impact of narratives and reputations on entire regions within a country, whether it be the wine industry of the South African Cape, the tourism service providers of Tuscany, or the microlending projects promoting cultural preservation and local economic development in Mali. How did wine from South Africa enter the global

market and compete with more established wine labels from countries such as France and Italy? How has the Tuscan landscape become iconic, and what types of investments and spending does its iconicity make possible? How can small loans be provided to villagers in Mali using locally carved ritual objects as collateral, promoting local economic development and cultural preservation? These phenomena represent what we have coined the cultural wealth of nations—the plentiful supplies of stories, symbols, traditions, reputations, and artifacts that are collectively held and that confer benefits on those able to make legitimate claims to them in advancing their country’s prosperity.

The study of the cultural wealth of nations provides a novel approach to understanding economic development and advances a cultural perspective on the economy. We first place our inquiry into both sets of this literature. We proceed to define the cultural wealth of nations and lay out four different theoretical perspectives used to study it. In the second part of the essay we explain how the authors of the ten chapters in this volume approach the study of cultural wealth and summarize their key findings. We conclude with the implications for social scientists trying to study and theorize the wealth and poverty of places comprehensively as well as the implications for economic development practitioners trying to make culture work to the advantage of particular populations.

## On Development

How countries advance their prosperity is a perennial question for social science, and the course of history has featured many different approaches. During the early modern period, from the sixteenth to the eighteenth century, it was mercantilism that defined the economic management of European economies, whereby states extolled the protection of domestic industry from foreign competition by imposing tariffs and other barriers to imports while encouraging exports. Belief in mercantilism began to diminish in the late eighteenth century, after Scottish economist Adam Smith launched a powerful critique. In his famous book, *The Wealth of Nations*, published in 1776, Smith railed against the protectionist mercantilist system and argued that the principles of free trade, competition, and choice would spur economic development. Smith argued for the power of free markets where individuals pursue their self-interest, which leads to prosperity for everyone. As Smith wrote, the individual is “led by an invisible hand to promote an end which was no part of his intention . . . By pursuing his own interest he frequently promotes that of

the society more effectually than when he really intends to promote it” (Smith [1776] 2000: 345).

Smith’s view that the market is the most efficient arbitrator was shared by David Ricardo, who, in *On the Principles of Political Economy and Taxation* (1817), developed the law of comparative advantage to explain why it is profitable for two parties to trade. The core argument is that each can gain by specializing in the good where he or she has relative productivity advantage and then trading that good for others on a free market. Importantly, any kind of state regulation, according to Ricardo, would get in the way of efficient trade and its consequences for economic wealth of nations.

Paying attention to the social and economic change induced by industrialization, the classical sociologists Marx, Durkheim, and Weber could be seen as concerned with economic development. Still, it was only after World War II, at a time of economic reconstruction, the emancipation of colonies, and the beginning of the Cold War, that development became an ideologically explicit project of the international community because the nations of Asia, Africa, and Latin America lagged substantially behind (McMichael 2000). In these regions, politically embedded agrarian structures prevailed, and the challenge was to achieve an industrial transformation. At first, this development project was essentially aimed at universalizing Western development around the world, as envisioned by modernization theorists (Kerr et al. 1960; Rostow 1960). In contrast, neoclassical economists eschewed the gradual development predicated by modernization theory in favor of the sudden and far-reaching implementation of market policies in less developed countries, including the opening of borders to foreign capital, which would increase the overall stock of capital in a country and create positive development spillover effects for the domestic economy (Hymer 1976; Kindleberger 1970; Knickerbocker 1973; Stopford and Wells 1972).

Providing a contrasting explanation, social scientists associated with the dependency (Cardoso and Faletto 1979; Evans 1979; Gereffi 1978, 1983) and the world systems schools (Chase-Dunn and Rubinson 1977; Wallerstein 1974a, 1974b, 2004) argued that military power and economic capital largely explain why some countries have excelled while others stagnated in the global economy and that foreign capital penetration creates inequalities rather than alleviates them. Instead, dependency theorists emphasized the key role of an autonomous bureaucracy with the capacity to formulate and enforce policies of import-substitution industrialization.

Even if eschewing both modernization's natural progression through the same set of development stages for all and the neoclassical power of markets without state intervention, the dependency perspective still focused on the importance of material conditions and endowments for industrialization. In *Dependent Development*, Peter Evans (1979) recognized, but did not focus on, the importance of symbolic resources when he noted that brand-name goods from the First World were preferred to locally produced goods and implied that the symbolic resources that First World firms could rely on made import-substitution strategies less viable in developing economies. An inquiry into the cultural wealth of nations makes it its task to expose how firms located in particular places find themselves at an advantage relative to firms in other places by virtue of the symbolic resources they have at their disposal and the role of state and private actors to manage a country's reputations in a global market.

Indeed, in many low- and middle-income countries today, it is tourism and cultural exports that drive national economic development. International tourism receipts reached US\$ 946 billion in 2008 (World Tourism Organization 2010) and have accounted for the largest or second-largest generator of foreign exchange in a number of developing countries. Commodity exports have diversified to include handcrafted and meaningfully charged commodities that most countries failed to record in their official statistics before 2001. Moreover, countries around the world have boosted their investment-attractor services, establishing governmental agencies of trade and investment promotion as well as private sector companies charged with nation branding and marketing a favorable image of the country for the purpose of attracting foreign investment and promoting export demand for the country's products. All in all, low- and middle-income countries have defied the prediction that they would all engage in a race to the bottom offering cheaper prices and larger volumes and canceling out potentially large economic gains for their national economies. Instead, countries have increasingly diversified their exports and added value to that diversification by emphasizing the symbolic qualities of those products—qualities emanating, in part, from the cultural heritage of the people engaged in production, contributing to what we call the cultural wealth of nations. These cultural qualities, their construction and management, and their effects on local, regional, and national economies motivate this volume.

## On Culture and Economy

The focus on cultural wealth advances cultural economic sociology. Sociological studies of the economy saw a renaissance in the mid-1980s and have since flourished into a burgeoning field known as the new economic sociology. However, as the pioneering cultural economic sociologist Viviana Zelizer (2003) commented, economic sociology has had an “uneasy” relationship with culture. Research has either bypassed culture to focus on the structural embeddedness of economic phenomena in networks of social relations (Granovetter 1985) or applied culturalist analyses to “nonstandard” economic topics, such as household or care labor, sexual or informal economies. This has led observers to characterize the cultural perspective on the economy as “a minority perspective” (Swedberg 1997: 168).

Lately, contributions of sociologists who focus on the cultural dimensions of economic life have become more prominent (for example, Abolafia 1996; Bandelj 2008a; Beckert 2008; Biernacki 1995; Biggart 1988; Dobbin 1994; Smith 1990; Somers and Block 2005; Spillman 1999, 2010; Velthuis 2005; Wherry 2008b; Zelizer 1979, 1987, 1994, 2005b, 2010). This research has countered assumptions that some economic phenomena are “more cultural” than others and that perhaps the more “standard” economic processes leave little or no room for culture. Nevertheless, this work has mostly endeavored to show how individuals attribute meaning to economic activities they are engaged in—be it buying life insurance (Zelizer 1979), participating in auctions (Smith 1990), trading on Wall Street (Abolafia 1996)—or it has examined the role of economic ideologies (Somers and Block 2005) or national cultural repertoires (Beckert 2008) on economic outcomes. Much less scrutiny has been paid to how cultural understandings, rituals, and symbolic qualities of goods and places affect national development or global economic exchange. True, Max Weber claimed that the Protestant ethic may be the driving force behind the rise of capitalism, but such analyses constrict the definition of culture to very basic categories of religion and values. Instead, our inquiry into the cultural wealth of nations focuses on cultural objects, narratives, symbols, and reputations to examine cultural effects on the economy at the macrolevel of analysis.

Importantly, geographers and anthropologists have also vigorously studied the interactions between culture and economy, adopting what has come to be known as a cultural economy perspective (for recent edited volumes, see Amin and Thrift 2003; Ong and Collier 2004). This perspective has become

particularly influential in the economic geography literature, scrutinizing the interface among economy, culture, and spatiality after the cultural turn since the early 1990s (Hudson 2005). Some critics have argued that this scholarship operates with a narrow understanding of culture, overemphasizing consumption as a premier site of cultural economy (Pratt 2004), the economic impact of cultural industries, and the importance of creativity to economic success (du Gay 1997; Hirsch 2000; Lash and Urry 1994; Scott 1999; Singh 2007).

Another strand of research in culture and economy relevant to our cultural wealth inquiry includes studies in cultural and heritage tourism and cultural heritage management (Aoyama 2009; McKercher and du Cros 2002; McMoran 2008; Nuryanti 1996; Turnbridge and Ashworth 1996; Urry 1990). This literature has examined how nations' past, history, and culture, like art and architecture, are represented and showcased in tourism and how these representations shape national identity. One issue this research brings to our attention is that commodification of the past, or of national cultural artifacts, is a contested process (Picard 2008; Summerby-Murray 2002). Cultural representations can serve as an ideological tool. Those who control them shape national identity interpretations, often slanted to exclude the experiences of minorities (Rose 1995). Another issue that tourism literature has been concerned with is the issue of authenticity of representations (Apostolakis 2003; Hughes 1995), debating to what extent what is available to tourists is sanitized, simplified, and bogus (Mitchell 1998; Urry 1990).

We recognize the important work of cultural geographers, anthropologists, and others studying various aspects of cultural heritage, but our focus departs from this research. We acknowledge that cultural representations of places can sometimes be an ideological project, and an intentional effort on the part of the elites, but not necessarily so because cultural commodification often results from the unintended consequences of institutionalized practices (see Kowalski, Chapter 3 in this volume). We are also not concerned with the normative question of commodification of national heritage and whether using cultural wealth for economic development is somehow corruptive of the "essence of places." In our view, identities of places are socially constructed, whereby authenticity is collectively defined. Given this, we follow cultural economic sociology that envisions culture and economy not as two separate spheres but as connected worlds that always intermingle in various ways and not necessarily with corruptive consequences (Bandelj 2008a; Wherry 2008b;

Zelizer 2005b). This coexistence and codetermination is also captured in our core concept, that of cultural wealth, which we now proceed to elaborate.

### What Cultural Wealth Is

We suggest a nation's cultural wealth derives from the reputational attributes and cultural products of that nation. On the one hand, when one sees national governments expending resources to market the reputations and symbolic attributes of their countries to attract world tourists and foreign investment, for the sake of national economic development, one bears witness to the creation and maintenance of that nation's cultural wealth. The narratives widely disseminated in the global, English-language press describing the country's major attributes capture these reputations as well. These narratives tell us what the Chinese are good at making, why Brazil is an attractive place to visit, why Italy might be preferred for design but not for financial services, or why anything Swiss is likely to be efficient and on time. One set of symbols and narratives may make a country suitable for the sourcing of cut gemstones; another set of understandings make it a good place for rest and relaxation but not for fine stones, fine art, or tastefully designed (highly priced) furniture.

On the other hand, we also consider a country's cultural wealth to include the number and the significance of its cultural and natural heritage sites, its stock of art and artifacts exhibited in the top international museums of art, and the number of widely recognized international prizes earned by its citizens. Importantly, it would be a mistake to rely solely on existing databases of these artifacts without understanding the politics and logistics of the database construction. Not all country governments are equally competent or motivated to register their stocks of cultural heritage with such organizations as the U.N. Educational, Scientific, and Cultural Organization's (UNESCO's) World Heritage Sites Registry. Also, because one cultural heritage site is not like another and one prizewinner may be nonetheless more highly regarded than another winner, measuring cultural wealth by quantity is not necessarily meaningful, though it goes far in establishing roughly how unequal the distribution of cultural wealth may be (see Centeno, Bandelj, and Wherry, Chapter 1 in this volume). Moreover, stocks of cultural resources may change over time. Monuments, rare objects, and narratives may mature, growing older and more valuable, or they may atrophy as the narratives become dull and less compelling to target audiences. These processes and lives of narratives and

symbols can be best captured and understood by an interpretive social science not too insistent on parsimony. Such an approach discovers that any region or nation in the world has latent cultural wealth as the activities its people are engaged in are necessarily imbued with meaning. Still, not all places can reap developmental benefits from their cultural wealth; cultural wealth needs to be activated or mobilized to have potential economic consequences.

The activation process is comprised of symbolic and relational work, and impression management strategies, all of which we could term “social performances of value,” that influence how different audiences of observers, opinion makers, producers, and consumers experience and understand cultural wealth. One’s willingness to understand certain cultural resources as valuable depends on the elective affinities of the evaluator and preexisting typifications. For instance, some audiences are less suitable for some social performances of value because the religious, ethnic, or regional histories on which the performances are based are either distasteful or uninteresting for the audience mismatched with those performances. On the contrary, individuals (or groups, or firms) with elective affinities to particular cultural performers will be more willing to give these actors the benefit of the doubt and will respond to inconsistencies in their social performances by searching for other reasons why the performance is valid.

Even where audiences and social performances are well matched, a plethora of performances may have a crowding-out effect. Audiences have a limited attention space and scarce resources for purchasing performances and cultural goods. As more cultural suppliers enter the stage, it becomes increasingly difficult for audiences to distinguish one cultural form from another. For instance, rather than distinguishing a Thai from a Burmese style of production, general audiences may only be able to detect that these styles are simply “Asian,” missing the distinctiveness that can bring specific advantages (or disadvantages) to Thailand or Burma. Moreover, the narratives of cultural specificity may not be compelling enough to triumph over other narratives. To address this problem, some cultural producers may innovate in style so that their products are inflected with, but not tethered to, original motifs and cultural narratives. These modifications may make the original motifs more salient as a source of contrast or more obscure as memories fade and few originals remain.

Importantly, activation of cultural wealth is not seamless conversion of cultural into economic capital. Determining what “authentically” represents a

nation's character or its cultural production is not a straightforward process. People have emotional attachments to particular kinds of understandings, and they tend to want these understandings to be recognized as universally valuable. They react strongly against what they may deem profane interpretations of their place's character because they are human beings whose dignity compels them to decry being debased. Likewise, people feel strong pride in certain characterizations that they deem "authentic." In that sense, meaningful symbols have autonomous power in spurring action as well as in imposing limits on it (Alexander and Smith 2003). In addition, various interest groups have divergent political agendas about what is "authentic" about their nation and how to represent it, potentially in different ways to different audiences, exploiting the multivocality of symbolic and cultural resources (Bakhtin 1981: 291–292). Thus, various actors and/or group representatives stake claims over different possible narrative interpretations, visual symbols, and imagery.

These coexisting tendencies for strategic manipulation and resistance to strategizing about deeply entrenched notions of sacred and profane are evident in increasingly popular nation-branding campaigns (Anholt 2004; Kotler, Jatusripitak, and Maesincee 1997; Potter 2009), which serve to activate the cultural significance of a nation as an attractive place to visit, invest into, or buy from. Even if these campaigns are largely meant as strategic efforts to generate economic profits, they are often accompanied by strong reactions and debates in which the articulation of cultural wealth is contested, not only for political prevail but also in a collective search and the construction of meaning itself.

Finally, the colorful spectrum of people's genuine search for meaning in the construction of commodified culture and their strategic efforts to exploit cultural wealth for economic gain take place in an interconnected global system. This system is characterized both by globally circulating myths (Meyer et al. 1997) and an unequal global division of labor (Frobel, Heinrichs, and Kreye 1980; Wallerstein 1974a, 1974b). The global culture renders certain strategies and narratives more legitimate than others, and the persistent North versus South divide prevents equal access to global markets and curtails opportunities for some nations (or regions) to transform their cultural wealth into economic opportunities. Understanding the placement of any nation in world culture and the world-system makes us aware of macrostructures that often impinge on but sometimes also facilitate cultural wealth articulation in developing countries.

## Four Perspectives

This section outlines four perspectives on how to analyze cultural wealth represented in this volume: (1) The political economy perspective emphasizes how traditional understandings of power and economic wealth map onto distributions of cultural wealth, with the former facilitating the latter and the latter reinforcing the former; (2) the global value chain perspective emphasizes how the bulk of economic value is captured at the design and branding phases of production and how industries are helped or hindered in moving up the value chain because of the collective narratives about where they are located and structural constraints, including the reliance on cultural brokers in enacting scripts about location and tradition; (3) the impression management perspective of cultural wealth identifies how collective narratives, information, and place-based images become strategically utilized to construct a coherent and value-enhancing image of a place along with the services and products produced in it; and (4) the cultural sociology perspective insists on the autonomy of culture, emphasizing that culture cannot always be utilized strategically because the myths, narratives, and symbols encasing the commodification of culture become ends in themselves.

### *The Political Economy Perspective*

The political economy perspective stresses that geopolitical power asymmetries are evident in markets for cultural goods. The international division of labor (Centeno and Cohen 2010; Frobel et al. 1980; Gereffi and Korzeniewicz 1994) and the persistent North versus South divide prevent equal access to global markets and curtail opportunities for some nations' (or regions') cultural wealth to become recognized by the rest of the world and converted into economic opportunities. Understanding the placement of any nation in the world-system of international relations (Wallerstein 1974a, 1974b, 2004) highlights the structural constraints that impinge on cultural wealth articulation. Traditional understandings of power and economic wealth map onto distributions of cultural wealth, with the former facilitating the latter and the latter reinforcing the former.

Less concerned with how actors accomplish meaning or generate strategies for impression management of their countries' image abroad, the political economy of cultural wealth traces the countrywide trends in flows of cultural goods to note the stark asymmetry between those places that garner economic benefits from the production and dissemination of cultural goods

and those places that don't. This perspective identifies a close relationship between the "value" of culture or cultural artifacts and position in a global world-system. This is consistent with the cultural imperialism arguments, where the already privileged nations, in particular the United States, define what "culture" is globally valuable and export it to the rest of the world.

### *The Global Value Chain Perspective*

Like political economy, the global value chain (GVC) perspective recognizes the division of labor in the global economy but locates it at the level of firms involved in bringing a product from its inception to its end use, that is, throughout a product's value chain. When Gary Gereffi (1999) and his colleagues (Gereffi, Humphrey, and Sturgeon 2005) identified these chains, they honed in on the different stages of assembly and distribution for manufacturers and their various governance structures. Producers involved in the provision of (nonscarce) raw materials and in partial assembly are greatly disadvantaged in the chain; it is the latter stages along the chain that increase the economic rents because they create and control the symbolic value of goods.

The global value chain approach to cultural wealth recognizes the importance of symbolic resources such as designs and brands to increase the profits that firms can capture in the global market and therefore scrutinizes how producers in the developing world can create and control symbolic value to move up the value chain or why they are hindered in doing so. Attention is paid to the collective narratives about places as well as structural conditions, such as the role of intermediaries that act as cultural brokers. This perspective underscores the processes of value creation and value control in global chains of production but also treats cultural artifacts and heritage sites as commodities produced and consumed in the value chain.

### *The Impression Management Perspective*

The impression management approach to the cultural wealth of nations focuses on how cultural attributes of countries have to be strategically managed to generate the kinds of favorable impressions that might attract tourists and investors into the country. This approach adopts Erving Goffman's (1959, 1961) ideas about the presentation of self in everyday life and extends them to teams of actors and directors, including organizations acting on behalf of nations or hired by governments to create the kinds of impressions that would have desirable economic effects, largely via media campaigns. Inherent in this

approach is the idea that strategic management of external impressions enables the conversion of symbolic capital into economic capital at a country level, adopting Bourdieu's (1977, 1986) concepts of capital.

This approach privileges the strategic efforts of actors to market their country's cultural wealth and is less concerned with the collective search and construction of meaning. In fact, the cultural resources here are conceptualized as quite malleable; impressions and symbols are considered authentic as long as both the performers and the audience understand them as such. The challenge for the image makers is seen as a need to tap into globally available frames that would resonate as attractive with the global audience, while at the same time making sense for the performers. There is a recognition of the power dynamics in the field of cultural commodification because, unlike individual-level impression management, country-level impression management involves multiple domestic and international actors. These strategic efforts are therefore embedded in domestic cultural politics and shaped by the political history and encounters that the country's official and unofficial representatives have had with other countries' representatives ranked higher in international status.

### *The Cultural Sociology Perspective*

Like the impression management approach, the cultural sociology perspective keeps its focus on individual and group efforts at constructing cultural wealth and its economic consequences. However, this perspective goes much deeper in scrutinizing the collective search and construction of meaning and does not conceive of narratives, symbols, and reputations as mere instrumental resources used to manipulate consumers and importers (Alexander 2003, 2004a). If actors engaged in impression management follow scripts that can be written in various ways, cultural sociology emphasizes that collective narratives overtake the actors and limit the representational goals they seek as well as the sense of plausibility their audiences will have for their performances.

The cultural sociology perspective eschews the strategic intent of capital conversions. Rather, it hones in on the social performances of value that rely on cultural logics marking the sacred from the profane, the modern from the primitive, the developed from the developing, and the orderly from the chaotic. Contrary to the tenets of political economy, the cultural sociology perspective insists on the autonomy of culture, elucidating that construction of commodified culture in the pursuit of prosperity derives from the gen-

eration of new meanings or the reinvigoration of old ones, as myths, narratives, symbols, and totems encasing the cultural wealth often become ends in themselves.

### Different Theories, Similar Empirical Findings

This volume consolidates chapters that represent, more or less explicitly, these different theoretical approaches to studying cultural wealth and sometimes combine different approaches in a single study. Yet, in the face of this theoretical plurality, the empirical findings converge on the fact that symbolic resources have demonstrable economic effects from one country and continent to the next. We now turn to how the chapters of this volume come together, examining the empirical and theoretical motivations for the volume, the construction of cultural wealth, its conversions into economic wealth, and its deployment in the global value chains.

#### *Part I: Empirical and Theoretical Motivations*

The first two chapters provide the empirical and theoretical motivations for studying the wealth of nations. Chapter 1, by Centeno, Bandelj, and Wherry, depicts some empirical trends in the distribution of the cultural wealth of nations to show the dramatic inequalities across these distributions. The location of UNESCO's cultural and natural heritage sites, distribution of top world brands, and flows of different cultural commodities—like art, chocolate, or movies—across the globe demonstrate how some countries are mostly sending and others are mostly receiving highly valued cultural goods. The division of labor in international tourism is also striking, with some destinations distinguished for cultural tourism, or “bells tourism,” compared to those being associated with mostly less economically profitable “beaches and bars tourism.” In conclusion, the authors reiterate that the world is characterized by a global cultural wealth hierarchy that aligns well with the persistent inequalities within the world-system but doubt that these trends necessarily result from cultural imperialism of the materially dominant Western view. Rather, the authors suggest it would be worthwhile to examine more closely the cultural wealth of nations, to scrutinize the role of institutional practices that balance the cultivation and commodification of culture, to pay attention to the collective accomplishment of meaning that contributes to the durable regeneration of inequalities, and to investigate how (some) places nevertheless defy structural limitations to move up in the hierarchy of cultural wealth.

In Chapter 2, Richard Swedberg provides a theoretical motivation for studying cultural wealth by exploring contrast, complementarity, and continuity in the works of Adam Smith and Pierre Bourdieu. Swedberg argues that Smith's perspectives on economic growth and its social foundations have not been thoroughly understood by economic sociologists. Moreover, by thinking about Adam Smith alongside Pierre Bourdieu, we can see how culture can be conceived in a multitude of ways and how culture needs to become an integral part of economic growth theory. Swedberg's chapter calls on economic sociologists and other social scientists to ask some basic questions about the economy and culture that have thus far been evaded and to think about how Smith's inquiry into the wealth of nations might be reformulated for our time.

### *Part II: Constructing Cultural Wealth*

In Chapter 3, Alexandra Kowalski analyzes UNESCO's World Heritage 1972 Convention as a historical turning point to shed light on the international standards that help countries identify and market their cultural wealth, specifically through practices of heritage preservation. The sequence of decisions and events, as well as the categories of actors involved in the making of what finally became the 1972 Convention, show that "heritage" is constructed and historically contingent not just in its contents but as a practical imperative of symbolic capitalization and accumulation. In light of stark inequalities in cultural wealth among countries portrayed by Centeno, Bandelj, and Wherry in Chapter 1, Kowalski's analysis shows that cultural and knowledge producers (in this case, historians and natural scientists) play a key role in establishing the rules and, perhaps more importantly, the very principle of symbolic accumulation that ultimately maintains the advantage of older state bureaucracies endowed with large cultural administrations. In contrast to explanations of elitism by international organizations, Kowalski points out the unintended consequences of the mechanisms of symbolic speculation through which national policies create cultural value. While the latter are designed by mostly well-intentioned experts and knowledge producers autonomous from political and economic agendas, the practical and institutional norms promoted by these professionals still have strong and systematic negative effects on global cultural equality.

In Chapter 4, Dario Gaggio raises important theoretical questions about how place icons function as symbolic resources, especially given the irony that a landscape's iconic status might render it unfit for (economic) market

work, using the case of the Tuscan landscape. In Tuscany, property owners extol the landscape, designated as a World Heritage Site by UNESCO. The iconic status of their landscape attracts tourists, thereby generating rents, but the landscape's symbolic qualities also spark battles over how the landscape's iconic status should be maintained and, consequently, how certain economic activities should be curtailed. A number of individuals and institutions are involved in reconstructing the symbolic value of the landscape (just as Bair shows in Chapter 8 for the case of *Mundo Maya*), but the multitude of actors and institutions involved means that there are some unintended effects on how the landscape will be maintained and evaluated. Gaggio's historical work illustrates how actors both related and unrelated to the tourism industry have made critical decisions affecting the shape of the cultural preservation in Tuscany.

In Chapter 5, Lauren Rivera examines the cultural wealth of stigmatized nations, using the case of tourism in Croatia. Rivera asks how countries with tarnished international reputations mobilize their cultural wealth for economic and political ends. She focuses on Goffman's stigma management strategies and notes how impression management teams use these strategies. In her case study, Croatia's government uses tourism to rebrand the nation's history and culture after the breakup of the former Yugoslavia, eliminating any reference to the Croatian civil war and reimagining it as a Western Mediterranean country, similar to Italy, to enhance its international status and thus international revenues. In this way, Rivera points to an interesting trend of "borrowing" from the cultural wealth of established nations, like Italy, to build a developing country's reputation, something that Regnault (Chapter 7) finds also in Mayotte's elite efforts to emphasize the island's similarities with France.

### *Part III: Converting Cultural Wealth into Economic Wealth*

The chapters in Part III examine how symbolic capital is converted into economic wealth. In Chapter 6, Frederick Wherry and Todd Crosby examine the Culture Bank of Mali. At the Culture Bank, villagers deposit statuettes, objects used in religious rituals, and other cultural objects in exchange for a loan. What makes this bank different from others accepting collateral is that these cultural objects are put on display in the bank's museum, where tourists are charged an entrance fee. Unlike other banks, the object's assessed value does not depend on what it might fetch in an open market but on the amount

of verifiable information the loan applicant has about how the object is traditionally used (a narrative that functions as symbolic capital) and where and how it was made. The bank's requirements help keep local cultural narratives alive. What social capital did for the Grameen Bank (see Woolcock 1998), symbolic capital has done for the Culture Bank, utilizing symbolic assets to generate economic capital. The authors also remind us that converting symbolic capital into economic capital in developing countries is not a straightforward process but one that has to incorporate the activities of local people and their understandings of what is important for the cultural and material life of the community.

In Chapter 7, Madina Regnault compares two French territories in the southwest Indian Ocean, Mayotte and Reunion Island, on their success in deploying cultural wealth for economic development; Reunion Island is doing much better than Mayotte. Like Rivera in Chapter 5, Regnault focuses on impression management at the state level to trace the reasons for this difference. Unlike on Reunion Island, diverse voices exist on Mayotte to push different portrayals of a tradition, leading to little consistent promotion of cultural heritage and financial support for its maintenance and showcasing. Regnault concludes that both private economic actors and public officials on Reunion and Mayotte are well aware that cultural tourism can bring benefits, but projects based on cultural heritage can be successful only when integrated into a system of coordinated public policies that build a consistent image of the island's cultural wealth aligned with local people's expectations.

#### *Part IV: The Cultural Wealth in Global Value Chains*

The chapters in Part IV examine how symbolic and cultural resources help firms and regions move up in the global value chains. In Chapter 8, Jennifer Bair critically reviews the literature on global value chains to conclude that what has been missing in this important and growing body of work is an analysis of *value* in the value chain. Bair attempts to provide just such analysis by examining the *Mundo Maya* project, which spans several countries in Central America and represents a unique cross-national collaborative effort to upgrade the region's tourism from "beaches and bars tourism," to use Centeno, Bandelj, and Wherry's (Chapter 1) distinctions, to "bells tourism." *Ruta Maya* follows the traces of the Mayan people across several Central American countries, through a region of stunning natural beauty and ecological diversity, dotted with significant archaeological sites attesting to the former

presence of a sophisticated pre-Conquest civilization. In 1987, representatives from Mexico, Guatemala, Belize, Honduras, and El Salvador formally endorsed the concept of a multinational tourism project in Mesoamerica along *Ruta Maya*, or Mayan Route, which was to open the way to environmentally oriented tourism, sensitive to the protection of the cultural and historical legacy, resulting in sustainable development of the region and providing jobs and money to help pay for preservation. These valiant and high-flying goals to upgrade the region's "sun, sea, and sand" tourism model typical of Mexico and the Caribbean met with the reality of contentious negotiations, and even conflict, among various stakeholders about how and by whom the region's cultural wealth should be defined and valued, and how, or even whether, it should be converted into material wealth and utilized for economic development. Bair's analysis points to the politically and socially constructed nature of value and as such has important implications for our understanding of the global value chains dynamics and developmental consequences.

In Chapter 9, Stefano Ponte and Benoit Daviron consider a country's high-quality wines as a mark of cultural wealth that can both yield significant economic benefits and open up struggles for their distribution. But how do countries get into the global wine market? Like Bair in the previous chapter, Ponte and Daviron utilize the framework of global value chain analysis, but their focus is on the ability or inability of producers in the global South to create and control the value embedded in the symbolic quality attributes of a product, which are most often generated and controlled elsewhere in the chain, in the rich countries. Ponte and Daviron use the case of South African wine to show that the industry has upgraded substantially through enhancing not only material but also symbolic value. At the same time, the industry has faced struggles around the appropriation of different kinds of symbolic value, such as trademarks, geographic indications, or fair trade and "empowered" labels, which yield differential profits for various groups of producers. The outcomes of these struggles have resulted in an industry that largely maintains a black-white racial divide. A more general lesson offered by Ponte and Daviron's case study of South African wine is that the process of activating cultural wealth by creating and controlling symbolic value in the South is a demanding process, requiring fairly sophisticated institutions and industry associations, collective action by industry actors, substantial financial investment, and appropriate regulatory support. These are difficult to mobilize, especially in the least-developed countries.

Continuing with a focus on commodity chains of production, in Chapter 10, Mark Graham presents a detailed case study of the Thai silk industry. Graham zeros in on attempts to reconfigure the slowly dying practice of silk production in northeastern Thailand by introducing Internet technologies and e-commerce as a direct way for producers to gain access to the global virtual marketplace. Such development strategies are believed to eliminate the need for intermediaries, which currently capture the bulk of profits in the silk production chains, while Thai producers usually live in poverty. By contrasting chains that have been altered by the Internet (e-commerce) with those that have not, Graham demonstrates that the Internet is rarely being used to successfully disintermediate commodity chains. It is no accident that value within the Thai silk industry is most often created by intermediaries with a detailed knowledge of foreign customer tastes, marketing strategies, and distribution outlets. A myriad of barriers, including physical, linguistic, and cultural ones, as well as lack of technical skill and distance from capital resources, make direct trade between the producer and consumer unlikely. Therefore, for most Thai silk weavers, it is the detailed knowledge of intermediaries who act as cultural brokers, rather than strategies of disintermediation, that will continue to connect them with consumers around the globe and help create the cultural wealth of their nation.

### Implications

*The Cultural Wealth of Nations* specifies the forms that culture takes, the processes involved in their construction, and their deployment by actors and agencies to promote development. The detailed case studies anchor our arguments about how culture matters in actual events, noting how actions do not always progress according to plan because differential interests and/or new goals and understanding about what and how cultural symbols should be defended have real consequences for local, regional, and national economies (Portes 2010). The inquiry into the cultural wealth of nations offers an alternative to standard economic explanations for the wealth and poverty of nations by privileging thick description and historical developments while specifying how affect, narratives, and social performances are not merely the outcomes from the material conditions of existence but are mutually determining of those conditions (Alexander 2003). There are several empirical and theoretical lessons that we can draw from the chapters' findings.

First, any attempt to promote local economic development using symbolic capital should proceed with care. One size will not fit all. Local economic development practitioners tend to see inputs and outputs in the development process much more easily than they see relational processes; however, the failure to account for the meanings imbued in economic interactions will lead to outcomes unintended by policy makers. Wherry and Crosby clearly demonstrate these dangers in Chapter 6 as they describe how early attempts to establish the Culture Bank failed. The conversion of cultural capital into economic capital is not straightforward, nor can attempts to make it more efficient, such as by using new Internet technologies, necessarily work, as Graham concludes in Chapter 10.

Similarly, attempts to find the right buzzwords to promote the positive characteristics of a place and its goods and services may well fall short of the promoters' goals. In Chapter 3, Rivera depicts the rather successful case of Croatia to cover its shameful past and rebrand itself in the eyes of international tourists. But that depended on very consistent efforts on the part of the elites with locals' pragmatic acquiescence, unlike in the case of Mayotte, which Regnault discusses in Chapter 7. For Regnault, cultural tourism promotion is successful only when integrated into a system of coordinated public policies that build a consistent image of a place's cultural wealth, but a system that is also aligned with local people's expectations.

Finally, attempts to move up the global value chain are messier than one might hope. For example, in Chapter 9, Ponte and Daviron use the case of the South African wine industry, which, on the whole, has upgraded substantially by enhancing symbolic value. Nevertheless, the industry has faced struggles around the appropriation of different kinds of symbolic value, such as trademarks, geographic indications, or sustainability (fair trade) labels, which yield differential profits for various groups of producers, maintaining a black–white racial divide. Moreover, as Bair shows in Chapter 8, the politics of representation also become heightened in the coordination of cultural resources that stretch across several nation-state borders with fractured constituencies.

All in all, the contributions to this volume attest to a significant shift in the importance of culture inside actual economies, to utilize cultural wealth, not only education and industrial progress, to advance national prosperity. Similar to the shift to culture inside economies, there has been an important shift lately also in the conceptualization of culture for understanding economic

life. While political economic perspectives have always privileged material conditions in determining cultural outcomes, economic sociologists have started to take culture seriously as a force that shapes economic processes, as much as politics and structures do. However, for a long time cultural effects have been considered as part of the social context, keeping the cultural and the economic as two analytically separate domains. Only recently has cultural economic sociology gained new momentum in fighting the separate spheres arguments and emphasizing the constitutive roles of meaning making and economic interests. Our volume showcases theoretical plurality in how to conceive of the relationship between culture and economy. Still, amid this plurality resonates an understanding that deploying culture for economic purposes does not corrupt some “true cultural essence” and that central to this process of cultural commodification is careful attention to the meaning making of actors involved in economic efforts. It is the task of future research to advance this cultural economic sociology at the macrolevel of analysis and spell out further its critical repercussions for understanding the wealth of nations.