

E L I Z A B E T H C A R T E R

From Myths to Markets

*Power, Institutions, and the Reification of Imagined
Histories*

Abstract

This article posits that institutionalized mythologies can create comparative production advantages. Myths shape collective identity, mobilize actors, and fundamentally reshape production dynamics. Myths are institutionalized in market rules, regulations and structures, leading to the reification of the myth. The myth functions as if it is true, not because it is true, but because it shapes the rules of production. Yet without the initial myth, specific production incentives—and even their institutional comparative advantages—would not exist. My theory integrates approaches from modernist historians (“imagined communities”) and economic sociologists (“imagined futures”) to explain how myths (“imagined histories”) shape contemporary market outcomes, using the example of the French wine market. This argument contributes to the historical institutionalist approach, which focuses on the historical power dynamics between competing groups and the present-day social and market consequence of their institutionalized solutions.

Keywords: Political economy; Economic sociology; France; Institutions; Nation-building; Organizations.

Introduction

THE MODERN AGE is distinguished by movements away from unverifiable beliefs, towards a world rooted in rationality, empirical observation, and scientific inquiry. But have we merely replaced one set of collective myths with another? Research contributions from both history and sociology question our perception of the Modern Age as radically more empiric and scientific than past eras. These theoretical insights make convincing claims regarding the centrality of

211

Elizabeth CARTER, The University of New Hampshire [elizabeth.carter@unh.edu]
European Journal of Sociology, 60, 2 (2019), pp. 211–236—0003-9756/19/0000-900\$07.50per art + \$0.10 per page
©*European Journal of Sociology* 2019. doi: 10.1017/S0003975619000110

the role of myth and imaginaries to the functioning of the economy, of nations, and of one's sense of self within these systems. For example, modernist historians argue the nation is an "imagined community" [Anderson 1983], constructed from "invented traditions" [Hobsbawm 1983]. More recently, economic sociology has introduced the idea of "imagined futures", or the idea that fictional, collective, socially-constructed future market expectations shape present market behavior [Beckert 2016]. I contribute to this conversation by investigating the role of imagined histories in shaping present market behavior, specifically production structures, production strategies, and subsequent institutional comparative advantages. Questions guiding this analysis include: Do imagined histories shape contemporary market institutions and if so, how? What impacts might these imaginaries have on production incentives and market outcomes, and why?

Historical imaginaries can include beliefs which emphasize conceptions of a shared patrimony or narratives of exclusion, with different impacts on collective group identities, producer organizations, and production institutions. The influence of economic ideas on policy, institutions, and institutional change has been explored by both political scientists and sociologists [Hall 1989; Blyth 2002, 2013; Block and Somers 2014; Campbell 1998; Campbell and Pedersen 2015]. Recent research in economic sociology investigates the relationship between shared cultural meanings and subsequent economic and social processes, including cultural narratives of exclusion [Lamont, Beljean and Clair, 2014] and ideas of tradition, value, and place [Banjelj and Wherry 2011]. In political economy, the historical institutionalist paradigm links historical political mobilization to institutional variance [Collier and Collier 1991]; then links institutional variance to subsequent incentives for quality production [Johnson 1982; Hall and Soskice 2001; Streeck 1991]. These institutional analyses of quality production link distributions of power between market actors with subsequent production outcomes. For example, studies of German industrial organization demonstrate how cooperative corporatist institutions protect relatively balanced power distributions between labor and management, facilitating trust [Bachmann and Lane 1996; Bachman 2001] and supporting incentives for quality production [Streeck and Schmitter 1985; Streeck 1985]. In the case of Italian textiles, networks of regionally-based horizontally-integrated firms have been argued to provide Italian producers with advantages in flexible specialization [Porter 1998; Locke 1995; Berger and Locke 2001].

The dynamic linking social mythologies to producer institutions and market behavior remains uninvestigated.¹ We are left with the question: how do collective beliefs shape producer dynamics? In other words, how do mythologies shape market institutions, and to what effect? In an attempt to answer these questions, this article seeks to explore the space between beliefs and market outcomes by investigating the impact of cultural myths on institutional emergence and production outcomes. The term myth is here defined as “taken for granted” beliefs [Hobwbawm and Ranger 1983: 283, 263], which are not lies, but rather imaginative patterns of interpretation [Migley 2014: 1] that bind people together [Sorel 1950] and become “a part of the ‘reality’ of infrastructures” [Badenoch 2010: 53]. I argue that ideas such as cultural myths influence the distribution of power between actors, motivate political action, and shape market institutions. Through this process, myths can foster comparative institutional advantages and reify the myth; actors confuse this institutionalized power with evidence of the myth’s verity.

The idea of collective imagined histories is especially relevant today, for three reasons: one economic, one theoretical, and one political. In the realm of differentiated quality production, product perception is structured by ideas about geographical origin, or what economic sociologists Bandelj and Wherry call the “cultural wealth of place” [2011]. Thus an economic puzzle is found across these quality markets. Why are specific places synonymous with conceptions of luxury and of quality? Are their products qualitatively better, or is the product “dream” just imagined? In theoretical terms, new research is demonstrating the centrality of imaginary futures in ordering the economy, although this insight has yet to be applied to the idea of imagined histories. Finally, in terms of the political motivation for this research, nationalism and identity are increasingly visible in moving people towards collective social action, as demonstrated by Brexit, Trump and “Make America Great Again”, and the rise of the Far Right in Western Europe and beyond. Today, as in France’s Third Republic (1870–1940), society and the economy are undergoing rapid change, and there is an increasingly vociferous call to return to a past that never truly existed. Historians have argued that political

¹ An exception to this statement is the work of sociologist Julien Debonneville, who demonstrates how colonial narratives of race and gender—what he calls the “Filipina otherness”—are formally institutional-

ized into national training, regulation, and promotion of a so-called “good” domestic worker with the attributes of adaptability, docility, and servitude [DEBONNEVILLE 2013, 2014].

mobilization emerges from shared perceptions of lost identity, uncertainty, and rapid cultural change [Hobsbawm and Ranger 1983: 263]. It is for these reasons that this analysis is especially timely.

Myths can have a beneficial (value-enhancing) or detrimental (value-decreasing) effect upon production, depending upon their impact on social cohesion, mobilization, and institutions. This article will focus in-depth on one value-enhancing myth: *terroir* in the French wine case. The reification of mythologies or collective histories is not unique to the French wine case, but it provides us with clear insight on the emergence of a social myth in shaping institutions, production incentives, and outcomes.

The Politics of Myth

Recent insights in economic sociology explore the role of future imaginaries in shaping market institutions and subsequent present-day economic behavior [Beckert 2016], while modernist historians open the door to considering how historical mythologies may impact contemporary identities and institutions [Anderson 1983; Gellner 1983; Hobsbawm and Ranger 1983]. Jens Beckert invokes Benedict Anderson's *Imagined Communities* when he employs the idea of "imagined futures" in the study of market dynamics [2016]. According to this perspective, collective, socially-constructed future imaginaries resolve tensions in market expectations and uncertainty; these institutionalized social fictions in turn fuel modern capitalist dynamics [2016]. An imagined future changes behavior in the present and is necessary for capitalism to function, whereas an imagined past is associated with belonging and identity. These imagined pasts figure prominently in historical accounts of the emergence of nationalism. Specifically Gellner [1983], Hobsbawm [1983], and Anderson [1983] each posit the nation-state as a contemporary social construct, emerging in tandem with industrialization. Gellner outlines how organically emerging "wild" agroliterate cultures are supplanted by a cultivated national, industrial culture, providing the homogeneity and mobility necessary for a uniform body of substitutable citizens [Gellner, 1983]. According to Gellner, national culture is education-based, literate, standardized, and substitutable; there is some historical base for the national culture, but this is used selectively and often radically transformed [*ibid.*: 57]. The modern era is the age of

nationalism because “nationalism engenders nations, not the other way around” [*ibid.*: 57]. Hobsbawm and Ranger make this argument in even stronger terms, stating that nations are “invented traditions”, established during times of social, political, and economic upheaval during the late 19th and early 20th centuries [*ibid.*: 263]. These invented traditions were created either by fictionalizing parts of history or creating a new, forged narrative for political objectives: “a changing society made the traditional forms of ruling by states and social or political hierarchies more difficult or even impractical. This required new methods of ruling or establishing bonds of loyalty” [*ibid.*: 263], taking the form of invented political traditions rooted in ritual, myths, and a mythical past [*ibid.*: 283]. Finally, Anderson argues that the nation is fundamentally an “imagined community”, a social construct born out of the invention of the printing press and its consequences [*ibid.*]. Specifically, the printing press created a community of literate persons linked by a common vernacular, who constructed an imagined sense of connection with those they would never meet by sharing stories and propaganda through the written word. For each of these historians, the concept of national identity arose with industrialization, and is modern and constructed.

The emergence of national and cultural myths coincided not only with the period of state building and industrialization, but also with the emergence of market institutions and production regulation. I argue that these myths and traditions motivate actors and fundamentally shape institutionalized production structures, and that the institutionalized power of these myths serves to reify those beliefs. These “taken for granted” motivating beliefs are primarily referred to as “myths” in this article, due to their implications for collective identity and political mobilization [Sorel 1950; Gramsci 1971]. The political functions of myths include defining one’s place in the world and providing a shared identity, guiding and rationalizing behavior, and orienting the view of the past, present and future [Gitleson 2018: 19]. Roelofs takes this a step further, noting that myths offer us a “shared framework of political consciousness” by which we become aware of ourselves as “a people, as having an identity in history” [Roelofs 1976: 4].

Mythologies are thus an instrument of political identity and mobilization. Some contributors to this concept—including Georges Sorel and Antonio Gramsci—wrote as identity myths were mobilizing political actors and as market institutions were taking shape in Western Europe (1908 and 1929-1935, respectively). Like Roelofs,

Sorel argues that myths motivate and create unity among groups, orienting them towards social transformation. Myths create profound emotional attachment to powerful narratives, supporting leaps of intuition which bind people together. For Sorel, myths unite, mobilize, and create a powerful common narrative and collective identity, yielding tangible political outcomes, such as the general strike [1950: 127–128]. Gramsci develops upon the theme of the power of myths to politically mobilize actors. In his analysis of Italian political parties, Gramsci notes how “myths engender a ‘state spirit’, linking party members backwards and forwards in time to powerful forces which are “unknown... [not completely predictable] but which nevertheless feel themselves to be active and operational” [Augelli and Murphy 1997: 30; Gramsci 1971: 146]. Critically here, Gramsci adds a Janus-facing time dynamic to the construction of political institutions: mythologies create the perception of continuity between an invented past and towards the political future.

Belief in a myth shapes the concepts which become a part of reality and practice [Badenoch, 2010]. In his analysis of the myths of European maps, Alexander Badenoch argues “it is not about how or whether maps ‘lie’ or misrepresent material reality”, it is that the myth shapes the conceptualizations of space which then become “a part of the ‘reality’ of infrastructures” [*ibid.*: 53]. He argues that maps are “representations of belief and ideology—rooted in particular cultures and institutions”, best understood as myths because they “mobilize representations of historically contingent circumstances and events as forms that signify them as universal, natural, and/or disinterested fact” [*ibid.*: 52]. Indeed these myths and “taken for granted beliefs” “are neither true nor false and can best be regarded as a particular form of what is often called ‘the conventional wisdom’ [Gitelson, Dudley and Dubnick, 2018: 6]”; “Myths are not lies. Nor are they detached stories. They are imaginative patterns, networks of power symbols that suggest particular ways of interpreting the world. They shape its meaning” [Migley 2014: 1]. According to Badenoch, maps have a “taken for granted quality” which actually shapes infrastructural outcomes, regardless of the validity of the belief.

We can observe similar dynamics in the luxury sector, where production is shaped by the “cultural wealth of place” [Bandelj and Wherry 2011]. Bandelj and Wherry define national cultural wealth as the symbolic resources—such as collectively held stories, symbols, traditions, reputation, and artifacts—which “confer benefits on those able to make legitimate claims to them in advancing their country’s

prosperity” [*ibid.*: 2]. This “heritage effect” [Boltanski and Esquerre 2017] tends to involve “the fabrication of more or less fictional histories” and provides value-enhancing narratives to “heritage” objects (*l’enrichissement*). These cultural representations of place can come from diverse causes—including an intentional effort on the part of the elites, or an unintended consequence of institutionalized practices. These narratives can be constructed through cultural events, such as festivals or events, and they can add value and status to an object that comes to be seen as being infused with this constructed narrative. These narratives can also be a cultural discourse, enforced by a property rights regime that institutionalizes a hierarchy of the status-infused “insiders” and a larger number of production outsiders [*ibid.*]. Once institutionalized, the “affect, narrative, and social performances are not merely the outcomes from the material conditions of existence but are mutually determining of those conditions” [Alexander 2003 as paraphrased in Bandelj and Wherry 2011: 18].

The wine market provides a unique case study into the cultural wealth of place [Ponte and Davrion 2011]. In the case of French wine, *terroir*—or the unique geographic characteristics and local know-how that underpin the national French *appellation d’origine contrôlée* (AOC) regulation—is said to be the reason why regulated quality French producers earn more than twice as much as their closest competitor. While wine producers and drinkers claim *terroir* exists, the vast majority of researchers claim it does not [Teil 2012: 480]. I posit that the debate as to whether *terroir* is objectively real or is imagined is a false dichotomy. *Terroir* is rather a part of French myth, or a constructed narrative. These myths shape power dynamics across the supply chain, ultimately leading to an institutionalization of a more equitable distribution of supply chain power. The French wine market then shares a defining characteristic with the German and Italian examples previously noted: market power is not concentrated, but it is distributed amongst supply chain actors. This production dynamic, best understood as corporatist, supports differentiated production, which is deemed to be quality, “*terroir*”-based production. The myth of French *terroir* is reified not because of the intrinsic superiority of French land or grapes, but because a strong belief in a mythological cultural heritage shaped actors and their production institutions, leading to a unique product. But the French comparative advantage is institutional, not geological.

Terroir is a controversial concept; embraced by producers, consumers, and wine experts, while widely criticized by scientists,

including many geologists and viticulturalists²: “*Terroir* is something that is perceived as real by actors and constituted by process. It is not that *terroir* is a lie, but rather that it is defined and experienced in a non-testable way” [Teil 2012: 478]. Teil argues that *terroir* is part of a regime that emerges not from scientific process but from an “alternative objectivity” of prescientific (or “non-scientific”), collective knowledge. Viticultural professor Mark A. Matthews writes, “the idea that *terroir* is the source of fine wine flavor” is the “biggest myth of all” of the many French wine myths [2015]. Scientists who employ the notion of *terroir* are “firmly in the minority, if not the fringe” and their research accounts for less than 1% of the scientific literature on wine grapes [Demossier 1997: 199]. Yet *terroir* is “systematically cited by wine-growers, landowners, and wine merchants as the result of the primary influence of geology, which explained the reputation, the location, and the price of fine wines” [Demossier 2011a: 691]. Sociologist Geneviève Teil concludes, “Actors experience ‘*terroir*’ while scientists appear to be incapable of doing so” [2012].

How, then, to explain the dilemma that people claim to experience a difference between French *terroir* wines and their less expensive counterparts? Unable to find measurable differences in *terroir*, we turn to the social and psychological theories that apply both to wine and to the broader luxury market. Some sociologists argue that consumers create an idea of taste differentiation due to signals like price and the perceived legitimacy of the product, as developed through a historical narrative or branded image [Bandelj and Wherry 2011; Beckert 2011; Boltanski and Esquerre 2017]. This perception has given rise to luxury markets which play upon product perception, placement, and price point: today many luxury firms seek to control distribution through vertically integrated “selective distribution” contracts precisely so they can control “the customer experience”, the narrative of the item, and the price [see Cleary Gottlieb and Hamilton, 2008]. Still others argue that input differences might not be objectively knowable, but people’s *perception* of a product imbues their experience with meaning, allowing them to experience a real difference in quality [Teil 2012]. Here the “customer experience” is defined by producers and conveyed to consumers, either through state regulation [Teil, 2004], through the dynamic interaction of similar producers [i.e., convention theory—see Eymard-Duverney 2007; Diaz-Bone 2013; Boltanski and

² For both sides of the debate from a wide range of scientists and experts, see PATTERSON and BUECHENSTEIN 2018.

Thévenot 2006], or through a type of homology [Bourdieu (1979) 1984].

Non-scientific factors, then, are argued by many sociologists to influence consumers' perception of quality. However, the observation of this truism does not negate the existence of quality differentiation. If geologists and viticulturalists cannot explain a perceived difference in quality, that does not prove that qualitative differences do not exist. French producers and consumers believe in *terroir*, I argue, because *terroir* wines possess qualities that make them distinct. But it is not *terroir* that makes these products distinct, it is the producer organization that derives from a collective belief in *terroir*. Institutionalized historical myths and the power dynamics these institutions engender not only provide marketable stories to national producers, the stories themselves can actually support enhanced quality production. These myths became codified in regulatory institutions that shape production dynamics—especially the distribution of power among market actors in a given supply chain. This new distribution of power serves to protect the mythologized actor, input, place, or other perceived value-infused entity from intense price competition. This market protection and subsequent higher input prices shift production incentives, supporting differentiated quality production and reifying the myth. These reified myths can exhibit institutionalized hierarchies of insiders and outsiders, value-enhancing narratives constructed through festivals and events, and the prevalence of “more or less fictionalized histories”, reaffirming the so-called “heritage effect”. Producers are looking not merely to stabilize markets and protect market advantages [Fligstein 2002], but to protect and stabilize what they perceive to be their heritage and their identity, especially during times of social dislocation. This argument fits with, but is not limited to, luxury markets, the heritage effect, and the cultural wealth of place. It can also fit other markets in which there is some sort of “cultural distinction”, in which a group of national or sub-national actors are perceived to have an intrinsic historical, “natural” or “God-given” production advantage.

The myth of *terroir* is critical in three ways for quality French wine production. First, it provides a salient political, cultural, and economic identity to unify and mobilize regional French wine producers. Second, the idea of *terroir* is institutionalized in local producer organizations. Finally, the subsequent supply chain dynamics which emerged from these organizations supports value-enhancing production incentives, such as higher-priced grape growing practices and

wine-making techniques intended to emphasize the higher-priced input. I argue that these production incentives support qualitatively distinct wines, which are perceived as evidence of *terroir*. In the pages that follow, I demonstrate that myths can not only protect elite producers, but they can also create status and value for previously weak, fragmented, and heterogeneous actors. I further demonstrate how fictionalized histories can translate into market structures and subsequent production incentives. In order to demonstrate the centrality of myths in constructing comparative advantages, it is necessary to demonstrate that *terroir* is indeed a myth. I will begin with debunking the most common *terroir* myths. Then I will describe the revolution in French cultural identity during the Third Republic and the subsequent creation of wine myths and rituals. Finally, I will show the consequences of these myths on producer institutions and the resulting quality production incentives.

Birth of a Myth

So-called *terroiristes* argue that the historical usage of the term, along with a history of quality *terroir* wine production, demonstrate the validity and truth of *terroir*. I thus begin by challenging both of these widely held assumptions. In this section, I will first outline the historical usage of the term. I will then briefly describe its historical usage in three prolific wine regions of France: Bordeaux, Champagne, and Burgundy. The contemporary myth of *terroir* was cultivated principally by Burgundian actors, but producers in each of these three regions employed strategies to construct understandings that aligned them with conceptions of French heritage and traditional quality production. Champenois and Bordelais producers made claims to aristocratic consumption as a component of French patrimony, whereas Burgundian producers sought to market their wines in a manner that distinguished them from the saturated aristocratic lifestyle model of their Champagne and Bordeaux counterparts. Burgundy made claims to the local, the traditional, and the authentic as their “natural” heritage; in other words, they posited an image of Burgundy as a counter to “artificial” city life. This folkloric creation grew in tandem with the rise of the modern, precipitated by the development of urban life.

Terroir is a “dynamic and evolving concept” [Phillips 2016: 266]; or a “historically unstable concept” [Guy 2003]. Over time the term has

been employed to indicate a taste flaw (appearing in French dictionaries from 1549-1962), a communion-like transformation with a regional spirit (1880-1930), and its modern conception of something objectively measurable. The movement of the idea of *terroir* away from a pejorative and towards a laudatory term “coincided with the emergence of the appellation system” [Matthews 2015: 195]. Both positive and negative connotations of the term appear in a 1962 French wine dictionary, but by 1970 we see only the positive use [*ibid.*: 161]. The term has a long historical usage in France, but using the term to indicate a traditional taste and best production practices within a specific geographic region is a contemporary construct.

“*Terroiristes*” point to the fact that French wines were labeled with place names prior to the establishment of the 1935 *appellation d’origine contrôlée* (AOC) regulation which provided them with legal protection. Yet wine regions did not commonly use regional or local place names on wine bottles prior to the construction of the French railways (1860-1880) [Guy 2003: 27]. In the case of Champagne, merchants prior to 1860 rarely used the word Champagne on bottles and “preferred the name of a prestigious vineyard” [*ibid.*: 27]. In Burgundy, merchants used an *équivalence* system, where place names put upon Burgundian wines were “not names for the origin of the wine but were stamps or standards of a wine’s quality” [Laferté 2012: 8]. These wines were commonly produced from grapes harvested beyond the place name appearing on the label. Similarly, a common wine narrative is that French *terroir* wines have a long history of quality production. But this idea too needs to be contextualized. High quality wine production was limited and a direct function of capital availability rather than superior plots of land. It is true that the price hierarchy in contemporary Bordeaux reflects almost the same price hierarchy observable almost a century prior to the 1855 regulation. The 1855 Bordeaux regulation protected the brands of historically wealthier producers who were able to afford expensive quality practices prior to the regulation; it did not protect the place where grapes were grown [Ulin 1996, 2007; Colman 2010: 11-12]. The ranking afforded them additional market protection, enabling the continuation of expensive production techniques [Dion 1952: 422, as cited in Fourcade 2012: 534]. While the 1855 ranking protected brand names, the land used to produce these wines was not regulated; and for the most famous chateaux, the land used to produce wine has changed over time. Thus price dominance is not evidence of the superior *terroir* of specific well-known chateaux.

The idea of *terroir*-based “traditional” French quality wines did not exist prior to France’s Third Republic. The movement to protect French *terroir* was, at its heart, a conservative movement to protect a myth of French tradition in the midst of vast social and economic displacement. Life on the commune was transformed in revolutionary ways under the Third Republic—impacting peasants much more profoundly than the 1789 revolution, and creating what Weber calls a “*crise de civilization*” [1976]. “Continuity has broken down... No longer an evolution, it is a true revolution that is taking place” [Méline cited in Weber 1976: 472]. A revolution was also afoot in wine consumption and production. As of 1850, less than two-fifths of the French population had tried wine [Blanqui 1851; Weber 1976: 144]; at the time, wine was considered “a rare luxury” [Weber 1976: 144].³ Even in areas such as Nièvre—now synonymous with Pouilly-Fumé wine—wine was consumed only twice per year, at harvest time and during Carnival. Wine consumption grew exponentially in France after the 1870s, in what Weber calls a “gift of the Third Republic”. Specialization and increased product options were facilitated by road and railway development, and by the expansion of the military in 1889 [*ibid.*: 144–145]. The railways also facilitated the spread of the phylloxera pest, which decimated French vineyards in the 1880s and 1890s. This led to high grape prices during the crisis, followed by a glut of overproduction in the first decade of the 20th century. Thus we have a *crise de civilisation* coinciding with an economic crisis in France’s rural areas [Simpson 2011].

Rapid change spurred renewed interest in folklore, traditions, and the “noble peasant”: “the end of the century saw the wholesale destruction of traditional ways. It is no coincidence, surely, that this period saw a great spurt of interest in folklore studies” [Weber 1976: 471]. “Peasants were studied as a vanishing breed; their culture was dissected and their sentimental value grew” [*ibid.*: 472]. Political and

³ Economist Adolphe Blanqui’s first-hand research of wine consumption in rural France appears to contradict the per capita consumption estimates of economist Vicente Pinilla. Pinilla finds that in 1850, French wine consumption averaged 58 liters per capita [2014]. The discrepancy between Blanqui’s observation and Pinella’s figures is most likely due to the uneven distribution of alcohol consumption. According to Eugen Weber, consumption levels were highly uneven in the French countryside: “heavy habitual drinking was restricted to regions that

lacked transportation facilities, where casks were few and had to be emptied before they could be filled with a new year’s crop” [PINILLA 2014: 144]. Weber finds the majority of peasants drank little or no wine due to low wine quality and, especially, high wine prices [*ibid.*: 145]. Peasants drank piquette, a beverage made by pouring water over grape skins after their final pressing. Weber notes that this changed with the liberalization of the wine trade after 1880 [*ibid.*: 144–145; for more see WEBER, Chapter 9].

economic dislocation created pressure to stabilize the market and the community. The *terroir* myth developed in an “honest effort” to protect and promote the livelihoods of peasant winegrowers, initially in Champagne and Burgundy [Matthews 2015: 185-186]. “[T]he systematization and use of local place names in commercial practices is more recent, probably corresponding to a new form of self-protection in an increasingly open economy” [Fourcade 2012: 526]. “Commercial considerations rather than concerns about wine authenticity in itself drove the French government to adopt a series of laws aimed to define wine” [Phillips 2016: 180]. The idea of *terroir* transformed wine politics in Champagne and Burgundy, both of which were characterized by a production structure in which wine merchants made wine purchased from grape growers. This contrasted with the structure of the Bordelais wine market, where houses tended to grow their own grapes and political actors remained opposed to market organization on the *terroir* principle, even after the adoption of national *appellation d’origine contrôlée* (AOC) regulation in 1935.⁴ Yet *terroir* evolved differently between Champagne and Burgundy, according to their respective positions in the wine market under the Third Republic. Evidence of these differences are still observable today in the structure of producer organizations in the different regions.

Prior to the development of the railroads and the subsequent changes to the French wine market, elite producers in both Bordeaux and Champagne developed production narratives resonant with French appeals to hierarchy and aristocratic consumption. The myth of Bordeaux wines as having “God-given” superior wine growing conditions was constructed by a small number of southwest elite French growers to protect an early market advantage. Prior to the English occupation of Southwest France in the 12th-15th centuries, interior wines (i.e., from Dordogne) were regarded as superior in quality to Bordeaux wines [Ulin 1996: 9]. England granted special, extensive commercial favors to Bordeaux producers in order to “minimize resistance to their rule”, and as a result the wine trade

⁴ The concept of *terroir* was integrated by Bordelais producers only after the adoption of the AOC in 1935, as elite producers felt it would undermine their branded “*domaine*”-based comparative advantage. Capus, deputy and later senator of the Gironde, and one-time Minister of Agriculture, “famously opposed AOC strategies based on *terroir* rather

than *domaine*, as the former threatened to undermine Bordelais labelling practices based on the reputation of estates, argued that successful marketing depended on quality originating at the level of ‘disciplined production’” [WHALEN 2009: 70]. As a result of his efforts, he was selected as INAO president (1941-1947).

flourished. The wine market development then resulted from “English hegemony and the city’s economic history rather than any special claim for climate and soil” [*ibid.*: 39]. Paralleling the ideas of cultural wealth of place and enrichment described earlier by Bandelj and Wherry and Boltanski/Esquerre, Ulin argues that the invention of the wine-growing tradition was the attempt of elite producers to create cultural capital. Following the termination of the special status and increased competition with Portuguese and Spanish producers following the end of English occupation, elite Bordeaux producers then attempted to construct an advantage rooted in appeals to place, history, aristocratic consumption and “natural” hierarchy: “Bordeaux’s ascendancy... follows from a process of invention that transforms culturally constructed criteria of authenticity and quality into ones that appear natural” [Ulin 1996: 39]. Elite producers even built small scale replicas of chateaux in order to evoke the aristocratic hierarchy in attempts to construct divides between their production and that of peasant farmers [Ulin 2007: 52].

The small Champagne market similarly relied upon an appeal to aristocratic, luxury consumption in the years prior to the Third Republic. And in the first decades of the Third Republic, this promoted image resonated with French and international wine drinkers alike, enabling Champagne producers to sell 25 million bottles a year by 1890. But the newly constructed railways not only expanded Champagne’s market; they also brought inexpensive grapes to Champagne. Unlike Bordeaux producers, Champagne merchant houses tended to buy their grapes, leading to economic pressure and political tensions when competition lowered prices for local grape growers. Though rarely branded as Champagne in 1860, in 1890 we see the first call for protection of the Champagne name in defense of French heritage. René Lamarre, a *champenois* author and early organizer of local *syndicats* (unions), made claims to the importance of place and name, though rarely the term *terroir* was evoked: “within ten years, people will no longer be acquainted with the name Champagne, but with others... and it will not matter from which [grapes] these wines are produced” [Guy 2003: 27]. Numerous claims to French traditional heritage were launched [see Guy 2003 for an excellent description of these initiatives], as well as a strategy intended to politically mobilize growers and win the backing of the French state. For example, Lamarre rallied “protectors of the *patrimoine*” to organize themselves in order to defend their product from the threat of “foreign” Champagne merchant houses, which were alternately deemed to be either German or Jewish, depending on the political climate. According to Lamarre, local Champagne

merchants were little more than “foreign feudal lords who wanted to turn the growers into serfs by buying up the *terroir* and monopolizing champagne production”, and he incited growers to fight against the “coalition of millionaires, almost all of them from Germany” [Guy 2003: 104]. By 1900, champagne producers had “developed a rhetoric of national identity that promoted its own interests as those of the nation”, and their rhetoric “convinced government officials of the need to protect champagne as a national patrimony at both the national and international levels” [*ibid.*: 6].

In Bordeaux and Champagne, appeals were made to the aristocratic ideal. Burgundy, on the other hand, attempted to construct an idea of Burgundy as the authentic traditional France, represented by the noble peasant. Initially the notion of *terroir* was promoted not by growers, but from local Burgundian elites attempting to increase tourism flows from the new urban Parisian consumer [Laferté 2006]. Passed by tourists on their way to the Alps or the Mediterranean, an array of “traditional” food and wine festivals were created by local elites with the explicit goal of increasing tourism and linking “Burgundian commerce and tourism through the rhetoric of *terroir*” [Whalen 2009: 84].

Early 20th century Burgundy cultural activities provide evidence for Boltanski’s and Esquerre’s claim that value-enhancing narratives are constructed through cultural events, where the objects are infused with a specific cultural narrative [2017]. Specifically, a myriad of new Burgundian festivals and events “develop(ed) cultural marketing practices” intended to “articulate a rustic ‘fable of identity’ that provided an enchanted ‘sense of place’ and a restorative economic agenda” [Whalen 2009: 68]. Burgundians “developed the concept of *terroir* to identify the qualities of their wines in terms of geo-climatic origin and authenticated methods of production,” allowing “uniquely regional products to be marketed through a novel repertoire of wine festivals and gastronomic fairs” [*ibid.*]. These re-invented traditions include the *Paulée of Meursault* (1923), the *Saint Vincent Tournante* (1938), or the *Confrerie des Chevaliers du Tastevin* (1937). These ideas were further promoted through the Museum of Wine (in Beaune, created in 1938), Burgundy’s pavilion in the 1937 Universal Exhibition, the Gastronomic Fair of Dijon, and annual wine auctions at the Hospice in Beaune. The *Paulée* (a celebration of food and wine) was the first Burgundian initiative intended to link the myths of the vineyard, the grower, and *terroir*. Laferté notes that techniques used for naming dishes in the 1920s *Paulées* were only observed in Burgundian households some 40 years later. This, he argues, indicates

that “traditional” practices were invented, intended for “cultivated middle class tourists enchanted by the regionalist discourse” [2012: 12] The major regional wine festival, the *Saint Vincent Tournante*, demonstrates both the methods local winemakers use to construct traditions for commercial advantage, as well as the centrality of ritual to the creation of these traditions and identities [Demossier 1997: 47]. According to Demossier, the landmarks along the procession were carefully chosen to “legitimate the concept of *terroir*” [*ibid.*: 54]. The Museum of Wine attempts to take a process which is neither natural nor static—wine-making—and cultivate a timeless image of Burgundian viticulture, with the unique *terroir* and the unchanging techniques of winemakers [*ibid.*]. The *Confrerie*, Demossier argues, intended to “draw upon a myth of an earlier Burgundian golden age of social unity” and the “enthusiasm for local folklore” [*ibid.*: 50]. The construction of these Interwar wine festivals “fulfil an important function in the construction of a local and even national identity” [*ibid.*]. In the context of a rapidly changing industrial France, place was becoming a marker of tradition, authenticity, and quality, for both Burgundian producers and their consumers, who attended these festival and events in great numbers [see Whalen 2007; Laferté 2012]. These events consolidated a unified regional identity while promoting the notion of *terroir* as the authentic, traditional production.

These “reinvented memories” of the discourse of *terroir* and its associated 20th century wine and food festivals were “presented as ancient, but were in reality born of the twentieth century” [Whalen 2009]. In his historical analysis of the development of interwar Burgundian regional identity, Philip Whalen notes that the development of a place-based folklorist tradition in interwar Burgundy is a “particularly salient” example of Hobsbawm’s “new social devices to ensure or express social cohesion and identity and to structure social relationships” [Hobsbawm quoted in Whalen, 2007]. According to Whalen, Laferté, Demossier, and others, “interwar Burgundians consciously exploited folk images and rural idioms to articulate an idealized, mystifying, and reassuring regional model of French modernity” [Whalen 2007]. Whalen explicitly evokes Benedict Anderson’s idea of “imagined community”, writing that interwar Burgundians intended to “animate residual social values, palliate cultural anxieties, mobilize political interests, and market regional products into what became a dominant model for French commercial regionalism”. Demossier concurs: “local wine-growers took the task of constructing tradition into their own hands” [1997: 50]. The result was an

aggressive marketing strategy, uniting natural resources, historical memory, marketing strategies, and cultural performance into an imaginative and enduring form of commercial regionalism that other French regions have since emulated [Whalen 2009: 68] through the *appellation d'origine contrôlée*, which took Burgundy as its model [*ibid.*: 67].

These new myths resonated with French urban consumers, who also similarly faced rapid social change and took to a “stable” conception of an authentic, traditional French identity. Reinvented traditions provided a type of dialectical counter-movement to the changes occurring in France; the uniqueness of the village could be celebrated in contrast to the uniformization of the city [Laferté 2012: 15], the distinctiveness of French regions could be appreciated in contrast to a powerful, centralized state and the new homogenizing French cultural and linguistic pressures [Weber 1976]. To both producers and consumers, “the (Saint Vincent) festival gives the impression of stability, creating a collective memory and provoking the recollection of past time” [Demossier 1997: 52, 54]. The idea of the reinvented past is dependent upon the creation of the modern: “tradition and modernity in the countryside are not so much successive historical periods as perspectives constructed simultaneously in the nineteenth and twentieth centuries” [Laferté 2011: 681], “by inventing tradition and reconstructing their past, they define themselves and help to structure the identity of Burgundian viticulture in a competitive and changing world” [Demossier 1997: 54].

From Myths to Markets

The growing emphasis on shared regional traditional identities supported “a story of a seemingly collective and well-organized community, which in reality was heterogeneous and fractious”, creating “a sense of belonging and... mobiliz(ing) specific values to foster solidarity, rootedness, and cohesion” [Demossier 2011a: 702]. Demossier further argues that “the politics of *terroir* [...] provided a platform for self-identification” [*ibid.*: 687]. *Terroir* mobilized producers and supported their identity as a collective entity with common interests—distinguishing them from industrial French unions, which were marked by Catholic and Communist factions. Jacquet and Laferté note that the “mass unionization of vineyard owners” led to a shift in power to from wine merchants to growers

(“vineyard owners”) after the “republicanization of the countryside enabled them to take advantage of republican ideology when reshaping the legal framework of the market”. They conclude:

The statute on denominations of origin and its application attributed the surplus value to the vineyard owners and not to the wine merchants’ brands. But this political move alone cannot explain the victory won by the vineyard owners of Nuits-Saint-Georges and Meursault. They subsequently managed to impose an image of a traditional wine tightly bound to the place of origin. This is where the cultural sphere became involved, integrating the complex work of bringing together the regionalist revival, the invention of traditions, and the promotion of the small vineyard owner as an emblematic figure of the Republic. [2006: 1147]

Identities and organizations coalesced in Champagne and in Burgundy, driven in the former by powerful, disruptive, violent strikes (1910-1911), and in the latter by their successful mobilization and active promotion of their reinvented regional identity.

As with Badenoch’s example of the myth of maps, terroir became reality and practice by shaping the conceptual map that forms dimensions of producer organization. *Terroir* and its reinvented regional identity are profoundly intertwined with the emergent collective identity and subsequent political power for growers. The cohesive political power of growers became institutionalized in the *Comité interprofessionnel*, the regional political body that governs French winemaking, and in the rules of the *appellation d’origine contrôlée (AOC)*, the national agreement that regulates the *comités*. These structures—which are best understood as corporatist—institutionalize incentives for differentiated quality production. Specifically, the *comités* tend to equalize power between two previously unequal players; providing a legitimate and institutionalized structure for two formerly adversarial groups to reach agreement on production standards and prices. The local *comité* linked traditionally weak, numerous and interchangeable grape growers and the larger, more powerful wine merchants together in equal, separate bodies under a united production structure with a unique access to a place name (i.e., Champagne, *Côtes du Rhône*, etc). In order to use a geographic name on their label, merchants can only use grapes grown in a delimited geographic area. In exchange for the shared monopoly over the grapes grown in a given locale, growers agree to follow and collectively monitor precise and often expensive grape production protocols, especially as related to planting, pruning and yields. The regulation is written by the local *comités* themselves and it details precise “best practice” grape cultivation procedures. Unlike the divisive French

industrial unions, unionized growers proved effective interlocutors for their members. They reliably enforce the quality production standards that unionized wine merchants demanded in exchange for higher grape prices. The national AOC regulation then protects these regional producer-created agreements between unionized growers and their wine merchant counterparts, mandating that Champagne wine must come from grapes grown in the Champagne region, that Chablis must come from Chardonnay grapes grown in the Chablis region, etc.

These regulatory “rules of the game” institutionalized the myth of *terroir*. Jacquet examined the establishment of the *appellation d’origine contrôlée* in Burgundy, reviewing 109 documents that the *comité* submitted to obtain legal recognition in 1935, the year the AOC was formally established [Jacquet 2009; Laferté 2011: 690]. Each category identified in the documents related to an “imagined, idealized, and traditional aspects of local viticulture” [Laferté 2011: 690]. Laferté notes that in the initial establishment of the AOC regulation, *terroir* came to be solidified in national regulation in an invented, “strict regulation of the past through ‘usages locaux, loyaux, et constants’”, redefining the market and the product in a way that benefitted growers. The AOC agreements themselves codify and perpetuate the *terroir* myth: “the AOC system helped to fix the mythical image of an ahistorical *terroir* producing a wine with a taste unchanged since time immemorial” [Laferté 2011: 690]. And despite the strong centralizing and culturally homogenizing role of the Third Republic, the state actively supported *terroir* and regional corporatist organizations, as the “heritagization of a disappearing world was seen as a way to maintain social unity in a climate of social tensions and economic difficulty” [Demossier 2011b].

The structure of the AOC French wine producers is best defined as corporatist, as they are “stable and strategically interdependent interest associations that contract together to achieve a symmetry in their respective resources, and each association has a monopoly as an intermediary for the group they represent” [Streeck and Schmitter 1985: 126]. And as with German corporatism, this production structure facilitates trust [Lane and Bachmann 1996; Bachman 2001; Carter 2017], increases production prices, and ultimately supports incentives for differentiated production [Carter 2018; Streeck 1991]. Specifically, these producer organizations and their regulation protect growers from market competition and enabled them to maintain higher quality and higher price production practices [Carter 2015]. For example, Champagne grape growers have a monopoly over Champagne grape production, enabling them to earn as

much as 6.20 per kilo (2018 prices, data supplied by *Comité Interprofessionnel du Vin de Champagne*). Champagne wine merchants pay more for their wine grapes than any other wine merchants. However, instead of making Champagne uncompetitive, the quantity of Champagne wine is severely restricted, leading buyers to bid up prices in the luxury market: Champagne sells for an average of €13 per bottle (price received by the bottler, 2017 prices supplied by *Comité Interprofessionnel du Vin de Champagne*), four times the average price of regulated French wines. This structure protects farmers, but wine merchants are better off as well, as both parties benefit from the restricted supply, the perceived qualitative difference, and the subsequent idea of Champagne as a status product.

Institutionalized beliefs change the distribution of power across the supply chain, specifically placing value with an inimitable, expensive input factor. Wine merchants face higher input costs, regulated oversight over the quality of the input factor, and a narrative that emphasizes grape uniqueness. Producers try to emphasize this expensive, quality-guaranteed input factor, rather than following the dominant wine strategy of trying to employ standardizing technology to correct or cover the quality of an unknown grape (Zinquisition, 2005, as cited in Corrado and Odorici 2009).⁵ Due to the strict production standards, the French appellation functions as a type of shared brand; consumers who buy a Chinon or a Beaujolais know not only the grapes which constitute the wine but also have a sense of the predominant wine style. This enables small winemakers to benefit from geographic origin as a type of brand recognition and some quality guarantee, though the power of the brand varies by region. But the efficacy of the shared brand and its benefit to small producers further supports the idea of the small scale, traditional *paysan* farmer.⁶ Institutionalized beliefs change the distribution of power across the supply chain and create quality production incentives, leading to differences in production [Carter 2018].

⁵ Note that the former style tends to reinforce the importance of upstream input factors; whereas the latter model tends to further reinforce those who transform the wine, i.e., wine merchants (brand holders).

⁶ The same is not true in other markets. For example, in American wine markets, the American Viticultural Area designation offers no guarantee of grape type, nor of production standards (other than yield limits).

Italy's DOC (*denominazione di origine controllata*) regulation parallels France's AOC, but the appellation does not provide the same collective quality guarantee across the two contexts, and Italian consumers buy primarily based on wine previously consumed. Indeed in Italy some appellations have an annual production output of zero, as the price of the appellation sticker is greater than its value-added.

The rival conceptions of *terroir* as aristocratic and bourgeois (Champagne and Bordeaux) or as a link to the noble peasant farmer (Burgundy) created lasting variations in regional identity and market orientation, despite the same general regulatory body (the *institut national de l'origine et de la qualité*, or INAO) and the same emphasis on *terroir*, heritage, and the protection of traditional best practice. In Burgundy, where the idea of the authentic peasant, *terroir*, and the value of tradition was paramount, the region was divided into a multitude of small sub-appellations, a model favorable to growers. The Bordeaux model has combined brands, grower-merchants, *terroir* and their initial commitment to export markets to create a large production volume where ranked chateaux continue to dominate the market, co-existing with more generic regulated “Bordeaux” that scarcely earn more than *vin de table* (table wines). Champagne is the only regional appellation with only one appellation for all producers. Their *comité* best equalizes power between growers and merchants, and they represent the clearest (and most successful) example of a corporatist production structure, as well as the highest prices for growers and merchants. One can observe parallels between the historical power of *terroir* (greatest in Burgundy, weakest in Bordeaux) and the subsequent relative market power of growers versus merchants.

Conclusions

Collective myths shape markets by influencing producer identity, institutionalized power, and production incentives. Political mobilization is especially powerful when rooted in myths of identity and rapid socio-cultural changes. Myths can *create* new comparative advantages when they engender collective “taken for granted” beliefs among market actors. Myths become real by shaping market institutions, behaviors and beliefs. In the French case, belief in the *terroir* myth shapes market institutions and incentives, leading to production differences. These differences are taken as evidence of superior *terroir* and help yield higher prices. These myths initially came about from producers looking to gain a sense of certainty and stability in an uncertain context, and they resonated with a population in a rapidly changing social and economic context (homologous).

The myths of the noble *paysan* and *terroir* remain politically salient in the Fifth Republic today. Specifically, clear parallels exist between the mythical French identity constructed in the Third

Republic, and the contemporary idea of “French exceptionalism” [Meunier 2000]. In an era of globalization and Europeanization, “France feels that nothing short of its national identity is at stake”, with debates framed as “Anglo-Saxon globalization versus the presentation of France’s national and cultural values”, best represented by the “biggest celebrity” in early 20th century France, sheep farmer (and now EU Parliamentarian) José Bové [*ibid.*: 2000]. Indeed contemporary French identity has sometimes been posited as uniquely culturally protectionist, in particular to protect rural identity and interests.

For those who believe in the *terroir* concept, globalization of the wine market could present a legitimate threat to the French model. Exceptional *terroir* could theoretically be discovered anywhere in the New World. But at the core, it is not soil characteristics that give rise to lasting French comparative advantages: it is the intangible social dynamics within and across communities that generate trust, transparency, cooperation; minimize power asymmetries across the supply chain; decrease transaction costs and increase institutional efficacy. Paralleling the literature on German industrial production, this points to a connection between quality production and producer organizations which institutionalize relatively equal distribution of political power, preventing more powerful market actors from pressing those further up the supply chain to cut quality production in response to downward price pressure. To say that the French wine model relies upon a comparative institutional advantage rather than a geographic advantage is not to diminish the power of the French wine sector. Formal political and economic structures are inextricably interconnected to intangible, non-fungible social factors, including but not limited to shared social identities, imaginaries about the past and the future, the perception of political and economic stability, and generalizable trust. Formal production institutions such as the *appellation d’origine contrôlée* are frequently duplicated in other contexts, though they do not ultimately share the characteristics of the French case. *Terroir* is said to have an intangible, inimitable quality. But institutions are embedded into the social fabric, just as any living plant is rooted into the ground.

Due to the institutional reification of the *terroir* myth, French “geological determinism became a global trump card in the recognition of quality wines, successfully obscuring the socio-political construction that made their legal emergence possible a few decades earlier”

[Demossier 2011a]. This construct has further been exported to agricultural products both within and beyond France. Most recently the “third wave” coffee market has made claims to *terroir* [Fischer *forthcoming*], though with different impacts for fragmented coffee producers (largely located in Central and South America, and Africa) and the North American and European coffee brands that roast, bag, and market them. The standards enforced by individual premium coffee roasters may indeed support higher quality coffee production practices, as does the French wine *terroir* myth. But for the coffee producers, *terroir* is not a part of their imagined history. Growers are not mobilized or institutionally protected, and market power has not shifted from coffee brands to geographically-branded producers.

Mythologies can also serve to decrease value-added production incentives in some contexts. I propose that future research investigates additional political, economic, or social instances in which myths have institutionalized specific power dynamics, and in which individuals perceive the outcomes of these institutionalized power dynamics as evidence of myth or of pre-existing collective social belief. I suggest investigating the consequences of narratives of exclusion, i.e., how divisive myths serve to undermine collective action and maintain low-value added, competitive markets, building both on Nancy Fraser’s concept of the “triple movement” [2013] and Lamont, Beljean and Clair’s research on the production of “taken for granted” social processes of inequality [2014]. These narratives could include examples that promote racial, ethnic, or gender exclusion; that take differences between group outcomes as evidence of some sort of natural hierarchy and ignore the institutions which create entrenched social and economic disparities in the first place. My research suggests that contemporary market structures are largely shaped by the institutionalization of mythologies and imagined histories, and this remains an open space for further research, both within and beyond the luxury market.

BIBLIOGRAPHY

- ANDERSON Benedict, 1983. *Imagined Communities: Reflections on the Origin and Spread of Nationalism* (New York, Verso Books).
- AUGELLI Enrico and Craig N. MURPHY, 1997. “Consciousness, myth and collective action: Gramsci, Sorel and the ethical state,” *Innovation and Transformation in International Studies* (Cambridge, Cambridge University Press: 25-38).
- BACHMANN Reinhard, (2001). “Trust, power and control in trans-organizational relations”, *Organization Studies*, 22 (2): 337-365.
- BADENOCH Alexander, 2010. “Myths of the European Network: Constructions of

- Cohesion in Infrastructure Maps," *Materializing Europe* (Palgrave Macmillan, London: 47-77).
- BANDEJ Nina and Frederick F. WHERRY, 2011. *The Cultural Wealth of Nations* (Palo Alto, Stanford University Press).
- BECKERT Jens, 2011. "Where do prices come from? Sociological approaches to price formation," *Socio-Economic Review*, 9 (4): 757-786.
- , 2016. *Imagined Futures* (Cambridge, Harvard University Press).
- BERGER Suzanne and Richard M. LOCKE, 2001. "Il Caso Italiano and Globalization," *Daedalus*, 130 (3): 85-104.
- BLANQUI Adolphe, 1851. "Tableau des populations rurales de la France en 1850," *Journal des Economistes*, 28: 9-27.
- BLOCK Fred and Margaret SOMERS, 2014. *The Power of Market Fundamentalism: Karl Polanyi's Critique* (Cambridge, Harvard University Press).
- BLYTH Mark, 2002. *Great Transformations: Economic Ideas and Institutional Change in the Twentieth Century* (Cambridge, Cambridge University Press).
- , 2013. *Austerity: The History of a Dangerous Idea* (Oxford, Oxford University Press).
- BOLTANSKI Luc and Arnaud ESQUERRE, 2017. *Enrichissement: une critique de la marchandise* (Paris, Gallimard).
- BOLTANSKI Luc and Laurent THÉVENOT, 2006. *On Justification: Economies of Worth* (Princeton, Princeton University Press).
- BOURDIEU Pierre, [1979] 1984. *Distinction: a social critique of the judgement of taste* (Cambridge, Harvard University Press).
- CAMPBELL John L., 1998. "Institutional Analysis and the Role of Ideas in Political Economy", *Theory and Society*, 27: 377-409.
- CAMPBELL John L. and Ove K. PEDERSEN, 2015. "Policy Ideas, Knowledge Regimes and Comparative Political Economy", *Socio-Economic Review*, 13: 679-701.
- CARTER Elizabeth, 2015. "Constructing Quality: Producer Power, Market Organization, and the Politics of High Value-Added Markets," *Discussion Paper: Max Planck Institute for the Study of Societies* [December, http://www.mpifg.de/pu/mpifg_dp/dp15-9.pdf].
- , 2017. "In vino veritas? The development of producer trust and its market effects in regulated French and Italian quality wine markets," in Frédérique Six and Koen Verhoest, eds, *Trust in Regulatory Regimes*, Cheltenham, Edward Elgar Publishers.
- , 2018. "For What It's Worth: Producer Politics and the Construction of Quality in French and Italian Wine Markets," *Socio-Economic Review*, vol. 16, Issue 3, 1 July: 479-498.
- CLEARY GOTTLIEB STEEN & HAMILTON LLP, 2008. "Internet Sales of Luxury Products: White Paper Submitted to the European Commissioner for Competition on Behalf of LVMH." [http://ec.europa.eu/competition/sectors/media/lvmh_contribution.pdf].
- COLLIER Ruth Berins and David COLLIER, 1991. *Shaping the Political Arena: Critical Junctures, the Labor Movement, and Regime Dynamics in Latin America* (Princeton, Princeton University Press).
- COLMAN Tyler, 2010. *Wine Politics* (Berkeley, University of California Press).
- CORRADO Raffaele and Vincenza ODORICI, 2009. "Winemakers and Wineries in the Evolution of the Italian Wine Industry: 1997-2006," *Journal of Wine Research*, 20: 2, 111-124.
- DEBONNEVILLE Julien, 2013. "De la lutte contre la vulnérabilité aux transferts d'argent. La migration des travailleuses domestiques au prisme du dispositif migratoire philippin," *Autrepart*, 4: 69-85.
- , 2014. "Les écoles du care aux Philippines," *Revue Tiers Monde*, 1: 61-78.
- DEMOSSIER Marion, 1997. "Producing tradition and managing social changes in the French vineyards the circle of time in Burgundy," *Ethnologia europaea*, 27 (1): 47-58.
- , 2011a. "Beyond terroir: territorial construction, hegemonic discourses, and French wine culture," *Journal of the Royal Anthropological Institute*, 17 (4): 685-705.
- , 2011b. *Wine Drinking Culture in France: A National Myth or a Modern Passion?* (Cardiff, University of Wales Press).
- DIAZ-BONE Rainer, 2013. "Discourse Conventions in the Construction of Wine Qualities in the Wine Market", in *Economic Sociology*, 14 (2), 46-53.
- EYMARD-DUVERNAY François (ed.), 2007. *L'Économie des conventions: méthodes et résultats* (Paris, La Découverte).
- FISCHER Edward F., (forthcoming). "Quality and Inequality: Taste and the Creation of Value with Third Wave Coffee," *Socio-Economic Review*.
- FLIGSTEIN Neil, 2002. *The Architecture of Markets: An Economic Sociology of*

- Twenty-First-Century Capitalist Societies* (Princeton, Princeton University Press).
- FOURCADE Marion, 2012. "The Vile and the Noble: Between Natural and Social Classifications in the French Wine World," *The Sociological Quarterly*, 53 (4): 524-545.
- FRASER Nancy, 2013. "A Triple Movement' Parsing the Politics of Crisis after Polanyi," *New Left Review*, 81: May-June.
- GELLNER Ernest, 1983. *Nations and nationalism* (Paris, Payot).
- GITELSON Alan R., Robert L. DUDLEY and Melvin J. DUBNICK, 2018. *American Government: Myths and Realities* (Oxford, Oxford University Press).
- GRAMSCI Antonio, 1971. "Selections from the Prison Notebooks" (New York City, International Publishers Co).
- GUY Kolleen M., 2003. *When champagne became French: Wine and the making of a national identity* (Baltimore, JHU Press).
- HALL Peter A., 1989 *The Political Power of Economic Ideas: Keynesianism across Nations* (Princeton, Princeton University Press).
- HALL Peter and David SOSKICE, 2001. *Varieties of capitalism: The institutional foundations of comparative advantage* (Oxford, Oxford University Press).
- HOBBSAWM Eric and Terence RANGER, 1983. *The Invention of Tradition* (Cambridge, UK, Cambridge University Press).
- JACQUET Olivier 2009. *Un siècle de construction du vignoble bourguignon. Les organisations vitivinicoles de 1884 aux AOC* (Dijon, Éditions Universitaires de Dijon).
- JACQUET Olivier and Gilles LAFERTÉ, 2006. "Le contrôle républicain du marché. Vignerons et négociants sous la Troisième République." *Annales* Histoire, Sciences Sociales, 61:5, 1147-1170
- JOHNSON Chalmers, 1982. *MITI and the Japanese miracle: the growth of industrial policy, 1925-1975* (Palo Alto, Stanford University Press).
- LAFERTÉ Gilles, 2006. *La Bourgogne et ses vins: image d'origine contrôlée* (Paris, Belin).
- , 2011. "The folklorization of French farming: marketing luxury wine in the interwar years," *French Historical Studies*, 34 (4): 679-712.
- , 2012. "End or invention of Terroirs? Regionalism in the Marketing of French Luxury Goods: the Example of Burgundy Wines in the Inter-war Years", No. 2012/2.
- INRA UMR CESAER, Centre d'Economie et Sociologie appliquées à l'Agriculture et aux Espaces Ruraux.
- LAMONT Michèle, Stefan BELJEAN and Matthew CLAIR. 2014. "What Is Missing? Cultural Processes and Causal Pathways to Inequality", *Socio-Economic Review*, 12: 573-608.
- LANE Christel and Reinhard BACHMANN, 1996. "The social constitution of trust: Supplier relations in Britain and Germany", *Organization Studies*, 17 (3): 365-395.
- LOCKE Richard M., 1995. *Remaking the Italian Economy* (Ithaca, Cornell University Press).
- MATTHEWS Mark A., 2015. *Terroir and Other Myths of Winegrowing* (Berkeley, University of California Press).
- MEUNIER Sophie, 2000. "The French Exception," *Foreign Affairs*, 79 (4): 104-116.
- MIGLEY Mary, 2014. *The Myths We Live By* (New York, Routledge).
- PATTERSON Tim and John BUECHENSTEIN, 2018. *Wine and Place: A Terroir Reader* (Berkeley, University of California Press).
- PHILLIPS Roderick, 2016. *French Wine: A History* (Oakland, CA, University of California Press).
- PINILLA Vicente, 2014. "Wine Historical Statistics: A Quantitative Approach to its Consumption, Production and Trade, 1840-1938," *American Association of Wine Economists Working Paper Series*, 167 (August).
- PONTE Stefano and Benoit DAVRION, 2011. "Creating and controlling symbolic value: the case of South African wine," in N. Bandelj and F. Wherry (eds), *The Cultural Wealth of Nations* (Palo Alto, Stanford University Press).
- PORTER Michael E., 1998. "Clusters and the New Economics of Competition", *Harvard Business Review*, 1 Aug.
- ROELOFS Mark, 1976. *Ideology and Myth in American Politics: A Critique of a National Political Mind* (Boston, MA, Little, Brown).
- SIMPSON James, 2011. *Creating Wine: The Emergence of a World Industry, 1840-1914* (Princeton, Princeton University Press).
- SOREL Georges, 1950. *Reflections on Violence* (Glencoe, The Free Press).
- STREECK Wolfgang, 1991. "On the Institutional Conditions of Diversified Quality Production," in Egon Matzner and

- Wolfgang Streeck (eds), *Beyond Keynesianism: The Socio-Economics of Production and Full Employment* (Aldershot, Edward Elgar: 21-61).
- STREECK Wolfgang and Philippe G. SCHMITTER, 1985. "Community, Market, State—and Associations? The Prospective Contribution of Interest Governance to Social Order," *European Social Review*, 1 (2): 119-138.
- TECHNOLOGY & HUMAN VALUES, 37 (5): 478-505.
- TEIL Geneviève, 2004. *De la coupe aux lèvres: pratiques de la perception et mise en marche des vins de qualité* (Paris, Octarès).
- , 2012. "No such thing as terroir? Objectivities and the regimes of existence of objects," *Science, Technology & Human Values*, 37 (5): 478-505.
- ULIN Robert C., 1996. *Vintages and Traditions: An Ethnohistory of Southwest French Wine Cooperatives* (Washington, DC, Smithsonian Institution Press).
- , 2007. "Writing about Wine," in Gwynn Campbell and Nathalie Guibert, eds, *Wine, Society, and Globalization* (New York, Palgrave Macmillan: 43-62).
- WEBER Eugen, 1976. *Peasants into Frenchmen: the modernization of rural France, 1870-1914* (Stanford, Stanford University Press).
- WHALEN Philip, 2007. "Burgundian regionalism and French republican commercial culture at the 1937 Paris International Exposition," *Cultural Analysis*, 6: 31-60.
- , 2009. "Insofar as the Ruby Wine Seduces Them": Cultural Strategies for Selling Wine in Inter-War Burgundy," *Contemporary European History*, 18 (1), 67-98.

Résumé

Cet article affirme que les mythologies institutionnalisées créent parfois des avantages productifs comparatifs. Les mythes façonnent l'identité collective, mobilisent les acteurs et modifient en profondeur la dynamique de la production. Ils sont institutionnalisés dans les règles du marché, les réglementations et les structures, ce qui conduit à leur réification. Le mythe fonctionne comme s'il était vrai, non pas parce qu'il l'est, mais parce qu'il façonne les règles de production. Pourtant, sans le mythe initial, des incitations spécifiques à la production n'existeraient pas—tout comme leurs avantages comparatifs institutionnels. Ma théorie propose d'intégrer les approches des historiens modernistes (« communautés imaginées ») et des sociologues économiques (« futurs imaginés ») pour expliquer comment les mythes (« histoires imaginées ») façonnent les résultats du marché contemporain, en prenant l'exemple du marché du vin en France. Il s'agit de contribuer à une approche institutionnaliste historique centrée sur la dynamique de pouvoir entre des groupes rivaux et les conséquences sociales et marchandes de leurs solutions institutionnalisées.

Mots-clés : Économie politique ; Sociologie économique ; France ; Institutions ; Construction d'une nation ; Organisations.

Zusammenfassung

Dieser Beitrag behauptet, dass institutionalisierte Mythen gelegentlich vergleichende Produktionsvorteile schaffen. Diese Mythen gestalten die kollektive Identität, mobilisieren die Handelnden und verändern nachhaltig Produktionsdynamiken. Ihre Verankerung in Marktregeln, Vorschriften und Strukturen führt zur Reifikation des Mythos. Letzterer mutiert zur Wahrheit, nicht weil er wahr ist, sondern weil er die Produktionsregeln mitgestaltet. Gleichzeitig kann festgestellt werden, dass es ohne einen Auslösungsmythos keine produktions-spezifischen Anreize geben würde – ebenso wenig wie ihre institutionellen komparativen Vorteile. Mein theoretischer Ansatz integriert die Überlegungen moderner Historiker („erfundene Gemeinschaften“) und Wirtschaftssoziologen („erfundene Zukunft“), um die durch Mythen („erfundene Geschichten“) geprägten zeitgenössischen Marktergebnisse zu erklären, z.B. den frz. Weinhandel. Diese Argumentation unterstützt den historischen Institutionsansatz, der sich auf historisch gewachsene Machtdynamiken zwischen konkurrierenden Gruppen und aktuellen sozialen sowie wirtschaftlichen Konsequenzen ihrer institutionalisierten Lösungen bezieht.

Schlüsselwörter : Wirtschaftspolitik; Wirtschaftssoziologie; Frankreich; Institutionen; staatsbildend; Organisationen.