

From
For a Critique of the Political Economy of the Sign

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CHAPTER FIVE

THE ART AUCTION: SIGN EXCHANGE AND SUMPTUARY VALUE

It may seem strange to be analyzing the ideological process somewhere other than in the traditional, political or cultural sanctuaries. But the point is precisely that the market for paintings and the auction sale of the work of art permit us to decipher the articulation, and thus the process, of ideological labor because they are situated in the contexts of economic power and the cultural field. The auction, this crucible of the interchange of values, where economic value, sign value and symbolic value transfuse according to the rules of the game, can be considered as an ideological matrix — one of the shrines of the political economy of the sign.

It is a question of decoding the birth of the sign form in the same way that Marx was able to uncover the birth of the commodity form in the *Critique of Political Economy*. In consumption generally, economic exchange value (money) is converted into sign exchange value (prestige, etc.); but this operation is still sustained by the alibi of use value. By contrast, the auction of the work of art has this notable characteristic: that economic exchange value, in the pure form of its general equivalent, money, is exchanged there for a pure sign, the painting. So it is an experimental terrain, simultaneously collective and institutional, for separating out the operation of this sign value.¹

The decisive action is one of a simultaneous double reduction — that of exchange value (money) and of symbolic value (the painting as an oeuvre) — and of their transmutation into sign value (the signed, appraised painting as a luxury value and rare object) by expenditure and agonistic competition.

1. The Other Face of Political Economy

In expenditure, money changes meaning. This fact, established in the auction, can be transferred as a hypothesis to the whole sphere of consumption. The act of consumption is never simply a purchase (reconversion of exchange value into use value); it is also an expenditure (an aspect as radically neglected by political economy as by Marx); that is to say, it is wealth manifested, and a manifest destruction of wealth. It is that value, deployed beyond exchange value and founded upon the latter's destruction, that invests the object purchased, acquired, appropriated, with its differential sign value. It is not the quantity of money that takes on value, as in the economic logic of equivalence, but rather money spent, sacrificed, eaten up according to a logic of difference and challenge. Every act of purchase is thus simultaneously an economic act and a transeconomic act of the production of differential sign value.

Certainly in everyday consumption the specific (and fundamental) aspects of the auction are largely effaced: the direct experience of competition, the challenge, the agonistic community of peers, etc., which make it such a fascinating moment, the equivalent of poker or the *fête*. But behind the purchase (or

¹ The very considerable problems posed by the analysis of use value will be taken up later in the chapter, Beyond Use Value.

individual reappropriation of use value) there always remains the moment of expenditure, which even in its banality presupposes something of a competition, a wager, a challenge, a sacrifice and thus a potential community of peers and an *aristocratic measure of value*. Let us not be mistaken: it is this, and not the satisfaction of needs, that occasionally turns consumption into a passion, a fascinating game, something other than functional economic behavior: it becomes the competitive field of the destruction of economic value for the sake of another type of value.

The process of production and systematization of economic exchange value has been described as essential, and in fact it is: political economy is this immense transmutation of all values (labor, knowledge, social relations, culture, nature) into economic exchange value. Everything is abstracted and reabsorbed into a world market and in the preeminent role of money as a general equivalent. This aspect of the analysis has been privileged (for historical and ideological reasons that have nothing to do with “scientific objectivity,” and which should be analyzed more fully, even in Marx). Thus the equally essential, equally generalized process has been largely neglected — a process that is neither the inverse nor the residue nor the relay of production: that immense process of the transmutation of economic exchange value into sign exchange value. This is the process of *consumption considered as a system of sign exchange value*: not consumption as traditional political economy defines it (reconversion of economic exchange value into use value, as a moment of the production cycle), but consumption considered as the conversion of economic exchange value into sign exchange value. At this point, the field of political economy, articulated only through exchange value and use value, explodes and must be entirely reanalyzed as *generalized political economy*, which implies the production of sign exchange value in the same way and in the same movement as the production of material goods and of economic exchange value. The analysis of the production of signs and of culture thus does not impose itself as exterior, ulterior, and “superstructural” in relation to that of material production; it imposes itself as a *revolution of political economy* itself, generalized by the theoretical and practical irruption of the political economy of the sign.

All efforts to autonomize this field of consumption (that is, of the systematic production of signs) as an object of analysis are mystifying: they lead directly to culturalism. But it is necessary to see that the same ideological mystification results from autonomizing the field of material production as a determining agency. Those who specify culture (sign production) in order to circumscribe it as superstructure are also culturalists without knowing it: they institute the same split as the cultural idealists, and constrict the field of political economy just as arbitrarily. If culture, consumption and signs must be analyzed as ideology this is not achieved by banishing them, or expelling them to an outer field, but, on the contrary, by integrating them into the very structures of political economy. Yet this implies that the traditional boundaries of political economy, canonized by bourgeois economic science as well as by Marxist analysis, should be disregarded. And the resistances to this are strong, for they are of all orders: theoretical, political, phantasmagorical. Yet today only a generalized political economy can define a revolutionary theory and practice.

Insofar as the market for paintings is specifically concerned, it may be said that it is the appropriation of the paintings as signs which acts as a factor of legitimation of economic and social power. But that gets us almost nowhere. We are still within the political vulgate: culture annexed and manipulated by the dominant class. The same is said of “needs,” “consumption,” leisure or sex. The dominant class would hold a sort of *jus primae noctis* over culture. Not content to exploit the “reserve of manpower,” this class would exploit the reserve of signs, the system of values, in order to confuse the class conflict and mystify proletarian consciousness. But where do these signs originate? Are they already inherent in things, in a social nature, so that it is enough to forcibly appropriate them? Magical vision. And how can signs or myths be articulated upon an objective social and economic condition, in order to confuse its meaning? *There is little use in appealing to the “consciousness” argument!* Moreover, why would the dominant class have need of culture if the economic is truly the determining instance?

More profoundly, what is a signification? In what social relation is it produced? What is the mode of production of significations? The “capitalist” mode of production? Absurd.

Sign values are produced by a certain type of social labor. But the production of differences, of differential hierarchical systems, is not to be confused with the extortion of economic surplus value, nor does it result

from it. Between the two, another type of labor intervenes which transforms economic value and surplus value into sign value: it is a *sumptuary* operation, devouring (*consummation*) and surpassing economic value according to a radically different type of exchange. Yet in a certain way it also produces a surplus value: domination, which is not to be confused with economic privilege and profit. The latter are in a way only the primary material and springboard for a *political* operation involving the transfiguration of power by signs. Domination is thus linked to economic power, but it does not “emanate” from it automatically and mysteriously; it issues from it through a reworking of economic value. As a result of having forgotten this very specific labor, Marxist analysis today finds itself in the same position with respect to the field of ideology as the bourgeois economists before (and since) Marx *vis-à-vis* material production: the *real* source of value and the *real* process of production are skipped over. It is from neglect of this social labor of sign production that ideology derives its transcendence; signs and culture appear enveloped in a “fetishism,” a mystery equivalent to, and contemporaneous with that of the commodity.

Critical theorists of the political economy of the sign are rare. They are exiled, buried under Marxist (or neo-Marxist) terrorist analysis. Veblen and Goblot² are the great precursors of a cultural analysis of class which, beyond the “dialectical materialism” of productive forces, examines the *logic of sumptuary values* which assures and perpetuates through its code the hegemony of the dominant class, and, in a way, shelters the latter, through its “transsubstantiation” of values, from economic revolutions and their social repercussions.

In the economic order it is the mastery of *accumulation*, of the appropriation of surplus value, which is essential. In the order of signs (of culture), it is mastery of *expenditure* that is decisive, that is, a mastery of the transsubstantiation of economic exchange value into sign exchange value based on a monopoly of the code. Dominant classes have always either assured their domination over sign values from the outset (archaic and traditional societies), or endeavoured (in the capitalist bourgeois order) to surpass, to transcend, and to consecrate their economic privilege in a semiotic privilege, because this later stage represents the ultimate stage of domination. This logic, which comes to relay class logic and which is no longer defined by ownership of the means of production but by the mastery of the process of signification; and which activates a mode of production radically different from that of material production (and which for this reason escapes “Marxist” analysis) is found in its entirety, though microscopically, in the art auction.

2. Difference from Economic Exchange

1. Like the game (poker, etc.), the art auction is always both a ritual and a unique event. The rules are arbitrary and fixed, yet one never knows exactly what will take place, nor afterward exactly what has happened, because it involves a dynamic of personal encounter, an algebra of individuals, as opposed to the economic operation where values are exchanged impersonally, arithmetically.

2. This personal character of the exchange implies the insularity (*unicité*) of the place (one cannot participate without being present), and above all, the concrete integrality (*unicité*) of the process (the time, order, rhythm, tempo are essential elements of the bidding). In the altercation and the out-bidding, each moment depends on the previous one and on the reciprocal relation of partners. Hence there is a specific development, which is different from the abstract time of economic exchange.

3. There is no interplay of supply and demand, as in the market, with a maximal approximation of the exchange value offered and the use value anticipated. The mercantile auction that reaches a point of equilibrium of supply and demand is found, for example, in a fish auction. But in the art auction, at the moment of bidding, exchange value and use value are no longer correlated according to an economic calculus. The anticipated use value (if there is one) does not increase during the auction. In fact, the particular activity of the auction institutes a specific relation and occurs outside use value. Once the latter has been put out of play, exchange value is no longer offered (in exchange for); it is wagered (*mise en jeu*).

² Veblen, *Theory of the Leisure Class* and Goblot, *La Barrière et le Niveau*.

At once, it ceases to be exchange value and the whole situation is transferred out of the realm of the economic. It does not, however, cease to be an exchange, although it no longer takes the form of supply and demand, but of *reciprocal wager*. Thus the auction simultaneously institutes:

- a transmutation of value and of the economic coordinates;
- another type of social relation.

Transmutation of Value

In the crucial moment of the auction, money is nullified as a divisible exchange value and is transsubstantiated by its expenditure into an indivisible sumptuary value. Thus it becomes the homolog of the painting as a sign, a unique and indivisible object. There is no longer an equivalence, but an aristocratic *parity*³ established between money, which has become a sumptuary material through the loss of its economic exchange value, and the canvas, which has become a sign of prestige (hence an element of the restricted corpus that we call “painting”) through the loss of its symbolic value.⁴

Social Relation

In the sumptuary act, money is nullified as a general equivalent, as form and so as a specific (capitalist) social relation regulated by this form. The social relation instituted in this act by the auction is still one of aristocratic parity (among partners). Contrary to commercial operations, which institute a relation of economic *rivalry* between individuals on the footing of formal *equality*, with each one guiding his own calculation of individual appropriation, the auction, like the fete or the game, institutes a concrete community of exchange among peers. Whoever the vanquisher in the challenge, the essential function of the auction is the institution of a community of the privileged who define themselves as such by agonistic speculation upon a restricted corpus of signs. Competition of the aristocratic sort seals their *parity* (which has nothing to do with the formal equality of economic competition), and thus their collective caste privilege with respect to all others, from whom they are no longer separated merely by their purchasing power, but by the sumptuary and collective act of the production and exchange of sign values.⁵

Here is the matrix of ideology — in the coherent logic of a system of production, exchange and social relations that is radically different from the system of production, exchange and social relations based on the economic. Ideology is not a mysterious duping (*trucage*) of consciousness; it is a social logic that is substituted for another (and which resolves the latter’s contradictions), thus changing the very definition of value. In our failure to recognize this, we have always reverted back to the rather embarrassing psychology of “interiorization.” But whence arises this strange perversion of “consciousness” — mystifying itself, and abandoning itself of “ideological values” — when the social actors who are the subjects of this

³ Cf. the chapter below on Symbolic Value and Aesthetic Function.

⁴ “The price at which a canvas is sold is not the *measure* of its value in the same way as for an article of consumption. The price only has meaning at the very instant of sale, by the game of competition in which it is the relative equivalent of the absolute values and significations to which the painting refers.” P. Dard and J. Michner, *Etude sur l’Exchange de Valeur*. In fact, it is no longer a price but a wager (*enjeu*). Moreover, for real players, money won in the game remains marked by it and cannot be spent for useful economic purposes: it must be put back into the game, poured back into it, “burned” — in a way, it is the *part maudite* of Bataille.

⁵ “Within this community there is a traffic of paintings on the basis of a *competition* among peers, while from the point of view of the global society, paintings are *retained* in and by this community — that is, the latter functions on the basis of a *social discrimination*. Yet this community presents itself as open by the competitive aspect of acquisition.... There we are at the frontiers of *strategies* of domination, where the possibility of individual mobility masks social discrimination.” P. Dard and J. Michner, *Etude sur l’Echange de Valeur*.

consciousness continue to produce their “objective” social relations? Indeed, when consciousness decides to flip over to the “objective” side, it becomes revolutionary, and we call it the *prise de conscience*! What a strange bourgeois novel psychology is — yet it profoundly infects revolutionary theory.

In fact, what is called the “psychology” of the art lover is also in its entirety a reduction from the system of exchange. The singularity that he asserts — that fetishist passion for the object lived as an elective affinity — is established on his recognition as peer, by virtue of a competitive act, in a community of the privileged. He is the equal of the canvas itself, whose unique value resides in the relation of parity, of statutory privilege, which, as a sign, it maintains with the other terms of the limited corpus of paintings. Hence, the “elitist” affinity between the amateur and the canvas that psychologically connotes the very sort of value, of exchange and of aristocratic social relation that is instituted by the auction. The passion of the amateur is ignited by the latent summation, by the exalting and continual obsession of all other amateurs, just as the fetishized value of the canvas, his *mana* is made from:

- its differential reference to all the other canvases in the same sublime sphere of status;
- its pedigree, its genealogy, that is, its signature and the cycles of its successive owners.

Thus, it is not the psychological relation of the individual to the object that gives birth to fetishism and that sustains the principle of exchange. “Object Fetishism” never supports exchange in its principle, but *the social principle of exchange supports the fetishized value of the object.*

3. Economic Power and Domination

There is another ideological reduction: that which makes the painting a commodity pure and simple. No, here it is not a question of the expanded reproduction of capital and of the capitalist class; it is a question of the production of a caste by the collective grace of a play of signs, and of the production of these signs by the destruction of economic value. Something similar to this sumptuary exchange and this aristocratic model, but weakened and geared down, diffuses through the whole system of consumption and provides its ideological efficacy. It seems absurd to speak of a “democratized” logic of caste. Yet consumption is instituted on the basis of the exchange of differences, of a distinctive material and thus of a potential community, which, however little remains of it — and precisely because nothing of it remains — is nevertheless articulated upon a fiction of aristocratic parity. The difference — a major one — between the aristocratic potlatch and consumption is that today differences are produced industrially, they are bureaucratically programmed in the form of collective models. They no longer arise in the personal reciprocity of challenge and exchange. Only the mass-mediatised simulacra (*simulacre*) of competition operate in the statutory rivalry. This latter no longer has the real, distinctive function that it still had in Veblen: the great dinosaurs of “*wasteful expenditure*” are changed into innumerable individuals pledged to a parody of sacrificial consumption, mobilized as consumers by the order of production. Expenditure has thus radically changed its meaning. The fact remains that it is because the collective phantom of lost (sumptuary) values is reactivated in expenditure and in mass-mediatised consumption, that this practice can be lived individually as gratification, as liberty, as fulfillment — and so act as ideology. Even the simulation model of a differential aristocratic code still acts as a powerful factor of integration and of control, as participation in the same “rule of the game.” Everywhere prestige haunts our industrial societies, whose bourgeois culture is never more than the phantom of aristocratic values. Everywhere the magic of the code, the magic of an elective and selective community, fused together by the same rules of the game and the same system of signs, is collectively reproduced, beyond economic value and on the basis of it. Everywhere this process comes to penetrate class conflicts, everywhere — diluted over the entire extent of the society, whatever the economic status and class condition — it acts to the advantage of the dominant class. It is the keystone of domination. It is not automatically dismantled by the revolutionary logic of productive forces, by the “dialectical” process of capital or by the traditional critique of political economy.

Only a critique of the political economy of the sign can analyze how the present *mode of domination* is able to regain, integrate and simultaneously take advantage of all the modes of production — not only of the capitalist mode of production, but of all “previous,” “archaic” modes of production and exchange, infra- or transeconomic. Only such a critique can analyze how at the very heart of the economic the mode of

domination reinvents (or reproduces) the logic and the strategy of signs, of castes, of segregation, and of discrimination; how it reinstates the feudal logic of personal relations or even that of the gift exchange and of reciprocity, or of agonistic exchange — in order simultaneously to thwart and crown the “modern” socio-economic logic of class. But perhaps economic exploitation and “class” domination are at bottom only a “historic” variant and a detour in the immense genealogy of the forms of social domination. Perhaps contemporary society is once again becoming primarily a society of domination by signs, hence giving rise to the total demand for a “cultural revolution,” which implies the whole process of ideological production — the theoretical basis of which can only be given by a political economy of the sign.

4. Symbolic Value and the Aesthetic Function

What happens to symbolic value in this whole operation, to the value peculiar to the “work of art”? It does not appear anywhere. It is repudiated, absent. Parallel to the ascension of economic exchange value into sign value, there is a reduction of symbolic value into sign value. On either side, economic exchange value and symbolic value lose their own status and become *satellites* of sign value. At the level of paintings, manipulated as supersigns, symbolic value is resolved into an *aesthetic function*, that is, it only operates *inter linea*, behind the operation of the sign, as a reference-alibi, as a sublime rationalization of the sumptuary operation.⁶

Repudiated as symbolic labor, the painting acts as:

- distinctive material, the foundation of the “noble” and of restrained exchange;
- and as universal “aesthetic” value — it doubles itself as an idea of painting serving to legitimize the operation in the absolute.

But this absolute is an alibi. We have seen that the true value of the painting is its genealogical value (its “birth”: the signature and the aura of its successive transactions: its pedigree). Just as the cycle of successive gifts in primitive societies charges the object with more and more value, so the painting circulates from inheritor to inheritor as a title of nobility, being charged with prestige throughout its history. Here, by the very circulation of signs a sort of surplus value is produced which must be radically distinguished from economic surplus value. It does not create profit, but *legitimacy* and it is with this that the art lover identifies himself by his economic sacrifice in the auction. Thus for caste members the only real values are those produced and exchanged within the caste (similarly for Goblot’s bourgeoisie, for whom originality, virtue, genius, etc., all the “universal” values, do not compare with regard to “distinction,” the specific value of class — or of caste).

The caste of partners knows at bottom that the veritable status, the veritable legitimacy, the reproduction of the social relation, and so the perpetuation of the dominant class “in its essence,” is enacted in the aristocratic manipulation of works as the material of sign exchange. At bottom it disdains the “aesthetic,” “art,” the symbolic, and “culture” which, as “universal” values, are barely good for collective consumption. Aesthetic enjoyment, spiritual commerce with the works, and the values labelled “absolute” are all that is left to those who cannot aspire to the privileged potlatch.⁷

The process of ideology in its totality thus acts on the simultaneous operation:

- of a system of restricted exchange upon a limited corpus and in the mode of aristocratic parity competition;

⁶ From that moment on, the economic can also serve as rationalization. The market for paintings is sometimes placed under the rubric of “love of art,” sometimes under that of “good investment.”

⁷ All else being equal, it is the same discrimination that dedicates the immense majority to use value in consumption, and to the functional enjoyment of products — the dominant class strategically reserves for itself the manipulation of exchange value, of capital and of surplus value.

— of a system of exchange of “universal” values for the use of all, in the mode of formal equality.

Still in the realm of painting, it is interesting in this sense to confront the reciprocal function of the institution of the market and of the auction with the institution of the museum. One might believe that, by removing the works from this private parallel market to “nationalize” them, the museum returns them to a sort of collective ownership and so to their “authentic” aesthetic function. In fact, the museum acts as a *guarantee* for the aristocratic exchange. It is a double guarantee:

— just as a gold bank, the public backing of the Bank of France, is necessary in order that the circulation of capital and private speculation be organized, so the fixed reserve of the museum is necessary for the functioning of the sign exchange of paintings.

Museums play the role of banks in the political economy of paintings: — not content to act as an organic guarantee of speculation in art, the museum acts as an agency guaranteeing the universality of painting and so also the aesthetic enjoyment (a socially inessential value, it has been seen) of all others.

5. Conclusion

In the auction and the art market we wished to comprehend a sort of *nucleum* of the strategy of values, a sort of concrete space-time, strategic moment and matrix in the process of ideology, which latter is always the production of sign value and of coded exchange. This economy of values is a *political* economy. It goes well beyond economic calculation and concerns all the processes of the transmutation of values, all those socially produced transitions from one value to another, from one logic to another logic of value which may be noted in determinate places and institutions — and so it also concerns the connection and implication of different systems of exchange and modes of production. The critique of this general political economy of value is the only one which today can recapture Marx’s analysis on a global level. And it is the only one which can make this “beyond value” (*au-delà de la valeur*) appear theoretically as a basis for the practical overthrow of political economy.

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Objects other than paintings, of course, could be analyzed in the same terms: for example, knowledge. The institutional space-time of the competitive community is then the examination, better yet the national entrance examination. It is there that the “transsubstantiation of profane knowledge into sacred knowledge” operates, that “bureaucratic baptism of knowledge” (Marx), whose function with respect to the baccalauréat, the social threshold of the caste, has been well analyzed by Goblot. The same operation of transmutation of knowledge as a universal value into knowledge as sign value, as a title of nobility, is accompanied by the same legitimation, the same discrimination of all the peers who participate in the white mass, in this *sacrament*. One could also analyze the academic congress (of scholars, of intellectuals, of sociologists) as places of transmission, of hereditary reproduction of the intelligentsia and of a privileged community on the basis of an agonistic debauch of signs. Conferences are almost as useful to the advancement of knowledge as horse races and parimutuels to the advancement of the equine race (horses and races, moreover, as well as the parallel market of sumptuary values, would be an excellent object for study).

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