

WHAT DO WE BUY, ACTUALLY?

“There is so much you can find in stores here!” That’s what some acquaintances of my Polish aunt (who lived on the other side of the Oder-Neisse line) were telling her on occasional visits to the “other side”. That was back in the eighties. Since then, more stores have been filled in Central and Eastern Europe -and in Asia- and stores have been more filled in Western Europe –and in America. More people are *“free to choose”*, yet not everywhere. Should Milton Friedman be thanked for that?¹ Capitalism has much in store. So much that, frankly, walking through stores aisles makes you wonder: *“Isn’t there too much out there? Or: do all those products find their way to the buyers?”* Many articles and books, some of them excellent, have been written about the hows and whats of sales, marketing, (over)consumption. That’s not the point here. Let us briefly stop over three (well, four) issues.

What do we buy? *“An Aston Martin combines three important elements: power, beauty and soul,”* states the company website. While still (for how long?) headquartered in Gaydon, England, the dream-car producer was -poorly- controlled by Ford Motor for twelve years before being sold off to two Kuwait-based investment companies. Ooh, my soul! Where is this really gone? Let’s face it, with all due respect for brand managers and advisers, most of a brand’s content and the branding impact on buyers is purely irrational. What is baffling is that so many people still accept to buy some brands and to pay such a high price for them. In the car industry, we could have taken many more examples, from buying a Volkswagen-Seat-Skoda (all in one, at least invisibly), to GM thinking that turning a Daewoo into a Chevrolet would woo clients, or Volvo, still regarded by most as a Swedish car maker, etc. Question: How about Fiat? And that’s about cars. How much could be written about other purchases for which WYSIWYG applies less than WYGINWYS (what you get is not, really, what you see –or think). In the seventies 70% to 80% of vehicles were made at the manufacturers’ factories. Now the percentage lies between 20 and 30%, with the rest, i.e. the main part, is outsourced and then assembled, and, last but not least, branded. It wouldn’t be much stretched to say that in some cases, it is now about sticking a brand on NPH (Not Produced Here)², with more or less value added (think of Nike, Dell, and so many others).

¹ *“Free to Choose”* is the title of a book co-written by Milton and Rose D. Friedman (Harvest Books, 1990). A former finance minister of Poland once declared: *“I live in a Poland that is now free, and I consider Milton Friedman to be one of the main architects of my country’s liberty.”* (cited by Naomi Klein in *“The Shock Doctrine”*). Really? Fortunately, Friedman did less “for” Poland than against Chile, and, at least, a free democracy came there as a prerequisite, and the Polish people took care of this job, without support or almost from abroad. This makes some Poles or Central Europeans’ ecstatic pro-Americanism even more surprising (sure, there is the Russian factor, but then).

² The term refers to the better-known NIH (Not Invented Here) syndrome.

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Continued in **“The Seven Deadly Sins of Capitalism”**