Veblen's conspicuous consumption and the sociology of luxury tourism: a reading from Monte Carlo

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1. INTRODUCTION

Within the framework of the conceptualization of luxury tourism, it is necessary to point out that this is not only a market segment attached to the tourism sector, but also a social phenomenon with symbolic implications at the social, architectural, and visual levels. It identifies the relationship between desire and distinction, authenticity and ostentation. A deep understanding of luxury tourism leads to a sociological perspective, that is, an exploration of consumer behavior and the cultural context that conditions it.

In this framework, Thorstein Veblen's theory of conspicuous consumption offers interpretive elements for the study of luxury—and its staging in destinations such as Monte Carlo—related to the social language of status and belonging. The aim of this article is to understand how the essential elements of this theory interact and their relevance to an understanding of the set of tourist dynamics that construct the concept of contemporary luxury from a context of remarkable symbolism such as the Principality of Monaco.

2. THEORETICAL FRAMEWORK

In The Theory of the Leisure Class (1899), Veblen introduces the concept of conspicuous consumption with the aim of identifying the behavior of the wealthy social classes in American society. In his research, Veblen identifies patterns that liken the consumption of luxury goods not only to a specific utility, i.e., their functional value, but also to a public manifestation of consumption capacity as a reinforcement of social position. Within this new interpretation, luxury becomes an element of differentiation in which elites seek to make their consumption visible and, therefore, observed. Wealth is no longer just an instrument of well-being but a manifestation of status based on a ritualized spectacle that communicates that spending for the sake of spending is a sign of power. Veblen identifies the group that develops these consumption habits as the “leisure class,” characterized by what he describes as “conspicuous leisure” and “conspicuous consumption.” The former describes how leisure, and therefore the ability to have

“unproductive time,” is interpreted as a manifestation of status and financial independence, while the latter becomes a visible element of social status affirmation.

The patterns of behavior in late 19th-century American industrial society are still fully in force—albeit evolved—in the postmodern era. While it is true that conspicuous consumption is the basis for confirming economic capital, this consumption is being modulated toward much more symbolic and subtle versions. Bourdieu (1979) expanded this view by introducing the concept of symbolic capital and distinction, in which consumption decisions express habits and tastes related to social classes and groups. Luxury represents a cultural identifier in that the choice of a hotel or boutique is not characterized solely by its price, but by what it represents within a social stratum.

The aforementioned evolution of the concept of conspicuous consumption towards more symbolic forms obeys the logic of luxury consumers' search for distinction, not only through the consumption of high-value goods or services, but also through their use and the way they are perceived as authentic.

3. LUXURY TOURISM AND STATUS PERFORMATIVITY

Luxury tourism is a clear representation of the concept of conspicuous consumption, in that traveling is a way of staging status and where the tourist experience becomes a form of social visibility and activities construct an identity narrative. Monte Carlo is one of those destinations where elite tourists participate in the representation of social hierarchy. Five-star hotels, yachts, high-end vehicles, social events, and luxury boutiques constitute a catalog of consumption, tourist behavior, and desire in which mere presence reinforces social hierarchies. These elements identify Monte Carlo as a destination of distinction where the interaction of the elite with their peers represents social status. This type of tourism can also be associated with “conspicuous leisure,” as leisure in Monte Carlo is not only experienced but also shared—on social media—with the purpose of documenting or reaffirming membership in an exclusive group.

There are very few destinations that fit the Veblenian model as precisely as Monte Carlo. Since the late 19th century, the administrations of the Principality of Monaco have made a deliberate commitment to establishing this destination as a setting for performative luxury. This can be seen as the founding of the Monte Carlo Casino (1863),

the creation of the Hôtel de Paris (1864) or the construction of the Hotel Hermitage (1910) and the consolidation of the Monaco Grand Prix, all of which are elements of an ecosystem where consumption is a permanent symbolic spectacle. The public space of Monte Carlo becomes a stage for visibility and prestige, intrinsically linked to its significance. The marina, the boutiques of the Carré d'Or and the Opéra Garnier become stages for social display where individuals and their behaviors describe and define their belonging to a particular social class.

However, this theatricality is accompanied by discretion and authenticity based on artisanal and sustainable production. Monte Carlo becomes the stage for the transition from original conspicuous consumption to behavior that, although less explicit, continues to uphold the logic of recognition.

4. THE NEW VISIBILITY OF LUXURY

In this context, the new digital era becomes a showcase in which to display and be observed, where conspicuous consumption becomes a global phenomenon that acts in real time. Staging transcends physical presence, experience becomes content, and content becomes symbolic capital. The iconic nature of Monte Carlo turns this district into a stage where thousands of photographs and videos constitute a universe of content that reinforces its conspicuous and aspirational value.

However, this hyper-exposure introduces a paradox: while the concept of luxury is identified as something exclusive, this meaning can contradict the desire for mass exposure. Such exposure can trigger a sense of desire, that is, a desire on the part of the general population to access these elite circles, stimulating the arrival of new tourists with less purchasing power who seek to participate, in an ephemeral way, in the social spectacle of luxury. Desire through social platforms is democratized, although membership and possession remain restricted areas. It is in this situation that exclusivity and exposure constitute the challenge of updating Veblenian theory with the new paradigm of luxury tourism.

5. OSTENTATION AND SUSTAINABILITY: A CONTEMPORARY PARADOX

The tourism sector occupies a central place in the debate about its practices; its subsectors face specific challenges that affect their operations and their essence. The traditional logic of conspicuous consumption is facing adaptation to a new scenario in which elite travelers seek to balance pleasure, well-being, exclusivity, and ecological awareness.

This adaptation is evident in Monte Carlo through initiatives led by the Société des Bains de Mer (SBM), which is responsible for promoting energy efficiency, local cuisine, and electric mobility, making these elements compatible with distinction, now accompanied by ethics and ecology. Although it is clear that the transformation of the sector is necessary for its own survival, the transition to sustainable tourism also fits in with the display of what is socially recognized as "responsible," whether out of conviction or as a way of showing—and being seen—as possessing cultural and ethical capital as an extension of the Veblenian principle.

6. FINAL REFLECTIONS

From a sociological perspective, luxury tourism becomes a symbolic scenario (Bordieu) in which functionality, symbolism, hierarchy, belonging, and legitimacy coexist. From what has been described throughout this document, we can extract the importance of Monte Carlo as a global benchmark and as an area of academic interest, not only because of its infrastructure and tourist profile, but also because of its role as a laboratory for elite tourism dynamics.

The motivation of the elite visitor seeks to construct a narrative of belonging to the world of luxury through the codes of taste, authenticity, and exclusivity. That is why conspicuous consumption theory offers a mechanism of analysis for understanding the sociology of luxury tourism based on space, consumption, and the gaze of others.

Monte Carlo presents the continuity of the Veblenian principle of being perceived as different, but it also represents its evolution: the shift from material excess to symbolic authenticity. Today's luxury tourism in Monte Carlo is based on the consumption of meanings: time, beauty, scarcity, and recognition.

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