'GLOBAL ‘LIFEWORLDS’ VERSUS 'LOCAL ‘SYSTEMWORLDS’: HOW FLYING WINEMAKERS PRODUCE GLOBAL WINES IN INTERCONNECTED LOCALS.

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ABSTRACT
How do culture and the economy relate in a spatial context? Recent work on the economy-culture relationship has developed the idea of 'articulation'. Rather than conceiving culture as a separate factor, as an add-on to economic analysis, culture and the economy represent interlaced dimensions in economic processes. The economy represents a cultural process, but culture, in turn, is influenced by the evolution of economic practices and concepts, including the advances of economic science. This paper will focus on the question how this articulated interpretation of the culture-economy relationship bears on our conceptualisation of the territorial dimension of the economy. The starting point of the discussion is the prevalent emphasis on the region or 'locale' as a core site of economic development, set against the background of pervasive globalisation. Responding to recent discussions on Habermas' conceptual pair of 'systemworld’-‘lifeworld’, an 'articulated' perspective on space is presented. One of the key messages is that an analysis of economic processes in space should develop a much richer interpretation of the market, which should be perceived as a culturally and territorially rooted institution. Such an interpretation may be inspired by the notion of 'organised markets', as well as by the conceptualisation of the economy and economics suggested by actor-network thinking.

Key words: culture, wine production, global-local nexus, organised markets, actor network.

INTRODUCTION
Recent studies in economic geography have strongly benefited from the development of cultural perspectives on the economy. New ideas on, for instance, the role of social relations, conventions and institutions have yielded valuable insights into the spatial and territorial dimensions of economic developments. Indeed, as the editors of this issue indicate, geography itself has been an important contributor to the debate on the economy and culture. One contribution is the discussion how the economy-culture relation can be interpreted as a form of ‘articulation’ rather than binary opposition. What seems to have been neglected, however, is how this debate bears on our interpretation of space. As will be argued below, binary thinking still prevails in the conceptualising of territorial economic performance. This paper will propose a more ‘articulated’ perspective on economic development in space.

The paper is structured in five parts. The first two parts engage with the economy-culture debate, discussing the conceptual value as well as limitations of the 'systemworld’-‘lifeworld’ binary. Actor-network thinking is invoked to argue for a radical break with binary thinking. The third section introduces the concept of 'organised markets', with emphasis on the spatial characteristics of market development. The fourth section presents an inquiry into the local-global opposition, extending the ‘systemworld’-‘lifeworld’ debate, and applying the concept...
of 'organised markets'. As before, a more radical approach is presented on the basis of actor-networking. The result is a reinterpretation of the 'global' in terms of 'interconnected locals'. The last section presents a case study on the quality wine sector. The concepts of 'organised markets' and 'interconnected locales' are used to deconstruct binary notions of the globalisation of the quality wine sector.

THE ECONOMY AS A CULTURAL PHENOMENON

Recent writings reflecting on the 'cultural turn' in economic and geographical studies tend to highlight two issues that are, to some extent, contrary, namely the 'culturalisation of the economic' and the 'commodification of culture' (Hadjimichalis 2001, 1994). Adopting the former interpretation, this paper will adopt an anthropological approach to culture. Culture is not seen as an item (like cultural products), or attribute (like group characteristics) but as a dimension of social (inter)action. Culture refers to the norms, values, ambitions and conventions that underpin social (inter)action, though giving meaning to social patterns and processes. Following such an approach, 'culturalisation of the economic' does not reflect changes taking place in reality, but refers to the viewpoint of the researcher. From its initial unfolding, the economic has always been a cultural phenomenon, both in the sense that the economic draws on human ways of social interaction in time and place, and that the economic itself has brought about specific norms, values, ambitions and conventions. Hence 'culturalisation of the economic' refers here primarily to the way economic patterns and processes are perceived, that is, to an epistemological agenda. A cultural approach helps us to illuminate economic phenomena in a different way. This does not exclude the possibility that symbolic aspects of economic processes have recently become more important versus non-symbolic (material) aspects, something which seems to be case in markets such as for wine. But the essence of the cultural approach as proposed here is epistemological, not existential.

How, then, should we assess the culture in the economic? Gregson, Simonson and Vaiou (2001) speak of 'articulation' of culture and the economic, which, on closer reading, should not be interpreted as 'combining' but rather as being inextricably interlaced. Neither does culture refer to an add-on variable that explains 'deviations' from economic explanations; nor does it refer to an 'environment'. A better term is inscription: economic relations and processes, as social phenomena in general, are inscribed with symbolic meaning while at the same time representing acts of producing and trading commercial objects. While the economic can thus be defined as a societal 'subsystem', alongside the political and civil society subsystems (Tieleman 1991), there is no 'cultural system'. Culture penetrates each subsystem, helping us to understand how the various systems evolve and relate to each other. Economic anthropology, notably the substantive strand, has examined the roots and causes of historical processes of social differentiation. In particular, it has sought to explain how the 'economic' has emerged as a separate subsystem, with its own sphere of action, ethics, 'laws' and logics, and even its own science (cf. Thrift 1997, 2000).

In a highly interesting contribution to the debate, Sayer (2001, p. 693) endorses this perception of culture vs. the economic by saying "culture is everywhere in human society, but not everything". The latter two words are important. They utter the warning that sole emphasis on the cultural aspects of the economy, as he observes in recent work on gender, ethnicity and sexuality, may lead to the neglect of 'old' themes in political economy, notably inequality, insecurity and unemployment. Imperialistic culturalism may be as dangerous as the imperialism of neoclassical economics (or as spatial determinism, as will be argued later). Sayer invokes Habermas' terms of 'lifeworld' and 'systemworld' to explain his position. The 'lifeworld', in Sayer's definition, does not only include Habermas' communicative interaction but also non-cognitive, embodied elements. The 'systemworld', on the other hand, is characterised as relatively formal, operating through its own codes and logic, with its own momentum and emergent powers.
Sayer opposes the way academic approaches have tended to privilege one side of the 'systemworld'-‘lifeworld’ spectrum at the expense of the other side. On the one hand, for instance, neoclassical economics pictures a bare 'systemworld', in which culture, if appearing at all, is absorbed as an additional variable in an elegant model of utility-maximising rational choice (Hodgson 1994). On the other hand, an 'imperialist' cultural approach only tends to embrace 'lifeworld' issues, framing economic phenomena within the context of identities and diversity. Sayer advocates a middle position. A fruitful analysis of economic processes requires substantive insight into the 'lifeworld' dimension. However, the economic, while dependent on the 'lifeworld', and emanating from it, can never be reduced to the 'lifeworld'.

The economic thus entails a 'systemworld', constituting a "relative autonomy - or 'emergent properties' - from the lifeworld" (Sayer 2001, p. 691). The importance of systems lies in the fact that:

(...) systems are relatively formal and have a logic and momentum of their own that go beyond the subjective experience of actors, both insofar they impart a formal rationality to action and through their interlacing and consequences of actions (Sayer 2001, p. 689)

Systems can thus be recognised and analysed on the basis of necessary features that define them. These features and their consequences, in turn, have strong bearings on the 'lifeworld'. Ongoing system growth - in the form of pervasive marketisation and homogenisation - continues to 'colonise' the 'lifeworld', making the latter more and more subject to the identity-blind mechanisms that rule the 'systemworld'. Yet, in Sayer's perception, systems do not represent a separate ontological layer, different from the 'lifeworld'. The two worlds represent "dimensions of the modern social world rather than natural kinds" (p. 690, my emphasis). This approach clearly differs from Habermas (1984), in which the two worlds appear as ontologically different. The idea of dimensional rather than separate worlds appears to chime more with the emphasis on 'articulation' by Gregson et al. The suggestion is that we should look at economic phenomena from different angles, acknowledging the intertwining of different dimensions that on their own and together deserve due attention.

While 'systemworld' and 'lifeworld' undoubtedly present valuable concepts to discuss the economy-culture, pressing questions remain unanswered. How are the 'lifeworld' and 'systemworld' articulated and interlaced? More specifically, if the 'systemworld' emanates from the 'lifeworld', what defines and constitutes its relative autonomy? Exploring this question, as will be argued in the next section, will also reveal some of the weaknesses of the 'systemworld' vs. 'lifeworld' perspective. In response, an alternative way of thinking will be presented, inspired by actor-network thinking.

THE ECONOMIC: ‘SYSTEMWORLD’ VS. ‘LIFEWORLD’?

As said before, economic anthropology seeks to unearth the rise of the economy as a separate system. Through history, the economy has become a separate field of action, with its own ethics, 'laws', logics, science, and through that, its own identity and history (Tieleman 1991). Economic anthropology has explored, in particular, the 'lifeworld' aspects of economies in time and place, focusing on practices of commodification, trade vs. distribution and governance mechanisms, as well as the ideologies and discourses employed to legitimise these practices. A core theme is the relationship between the individual, groups (classes) and society. Capitalism, for instance, has been accompanied by a history of social differentiation and erosion of the mediaeval class system, unlocking a process of individualisation that has progressed until today. This process took off primarily in Europe, and has penetrated all parts of the world.

In an anthropological account, the growth of the economic subsystem does not represent the unleashing of natural laws of the market economy. The development of capitalism does
not manifest a teleological process, but a time- and place-specific process of institutional and discursive development. The institutional dimension is reflected in the emanation of norms and values that underpin the social actions and relations supporting particular forms of capitalist economic development. As argued by Max Weber, modern industrial capitalism could develop because the rise of Protestantism helped to condone and even encourage the individual pursuit of profit-making. At the same time, the Protestant ideas urged entrepreneurs to reinvest profits made. Continuing success in business supported by cycles of reinvested profits signified a religious sign of potential predestination (Tieleman 1991). The Protestant ‘lifeworld’ thus enabled core system characteristics of capital accumulation to emerge. These characteristics can be labelled, accordingly, as ‘emergent properties’. The institutional dimension could not have developed, however, without being accompanied by the development of core concepts and discourses that gave form, meaning and legitimacy to economic patterns and processes. An important role has been played by the articulation of core concepts such as ‘the invisible hand’, ‘individual property’, ‘free market’, ‘profit-making’ and ‘Homo Economicus’ by renowned authors from Adam Smith to Milton Friedman. An anthropological analysis focuses on the historical context in which these ideas were developed and gained influence.

What is interesting is that the dominant discourse of economics itself, labelled as ‘mainstream’ or ‘neoclassical’ economics, derives its strength from representing its world of ideas as reflecting a natural and universal order. The strength of the mainstream discourse lies in its portraying of a stable, ordered, harmonious model that, based on equilibrium, would necessarily generate maximum wealth. Through its cogent metaphors, refined models and happy ends, neoclassical economics has continued to evolve as the most prominent and influential strand of economic science, despite strong criticism. Its influence can be understood in two ways. First, the aesthetics of the knowledge itself, notably compared with alternative strands, has provided appeal and status across science, and through that, in society at large. Moreover, by continuously confronting neoclassical economics with its highly unrealistic assumptions, critics have encouraged economic scientists to further expand and refine their models to accommodate some ‘relaxation’ of assumptions, creating more sophisticated models still reflecting the same basic set of universal principles. What has always been rejected, hence, is the idea that core concepts and ideas reflect historically and spatially specific situations.

Second, neoclassical economics has had a strong impact on real economies. This is an issue which many critics have overlooked. As Thrift (2000), argues, "economic knowledge is itself a powerful actor in the world, and not just a representation of it". Indeed, neoclassical economics has never shown much inclination to just represent economic phenomena. It has always entailed a strong, although hidden, normative agenda. One could say that, in history, the core ideas of neoclassical economics, such as the encouragement of spontaneous economic specialisation, the establishment of free markets, the free movement of capital, have been waiting for the right conditions to facilitate their institutionalisation. In the view of North (1985) it was especially the second industrial revolution that made the assumptions of neoclassical economics realisable. The economic ‘systemworld’ did not just naturally grow out of the ‘lifeworld’, with economic science merely in the role of illuminating underlying principles and characteristics. It was the ‘lifeworld’ of scientists dedicated to improving the economy through their academic work and influence that, supported by other social and political actors, provided a major impetus to the development of our economic subsystems. In the words of Thrift (2000, p. 694): "the model of the world becomes the world of the model".

The relationship between the economy as a social process and economics as a discourse has been examined by Callon (1998). Using actor-network thinking to elaborate on anthropological work, Callon has recently shed light on the way economics has shaped, rather than just reflected, the economy. A prerequisite for the capitalist economy to function is the presence of calculative agents, who base their actions on specific kinds of calculation. Although humans always employed forms of calculation, economic calculative agents are not naturally given. Only when agents are framed (embedded) in a market context, they absorb the appropriate mindset and facilities to calculate and perform market relationships. In
Callon’s (1999, p. 185) words, agents thus become “entangled in a web of relations and connectedness (...), not in a network connecting pre-existing ontologies, but one configuring ontologies”. The economic agent is not pre-given, but shaped by being immersed in a “space of calculability by disconnecting, instrumentalisation and commodification” (Callon 1999, p. 190). Disconnection is a vital process for creating a space of calculating, which turns into a separate economic subsystem. Agents and objects need to be decontextualised, removed from their ‘lifeworld’, to allow uniform measures and measurements to work through commensurability. An important role in framing and disconnecting is played by accounting and management concepts and tools. These concepts and tools are not just accessories to facilitate economic calculation; they discipline behaviour by stabilising, as well as constituting, calculative practices. Framing and disconnecting are never fully achieved, however. Replicate goods in ‘competitive’ markets become inscribed with identities that defy the established frame of calculability. Even the prime token of economic calculation, money, often breaks out of its purely instrumental chains by becoming earmarked as special notes or coins, or having passed through specific hands, or stored in cherished places (Callon 1998). All these examples show the limits of capitalist ‘modernity’, as understood by the mainstream economic discourse.

Through providing models of calculative spaces, economics has contributed to process of framing and disconnecting, thus helping to shape calculative agents that perform the capitalist ‘market economy’ in line with neo-classical thinking. ‘Homo Economicus’ has come to life. However, this ‘Homo Economicus’ eludes essentialism and purity. She remains entangled in a web of market relations and symbols, amongst others. Her economic rationality is always situated (Callon 1998). When management and accounting tools are moved to new places, and associated with new agents and practices, the results are never the same. Sometimes, as shown in some East-European experiences, the results are even disastrous. In other words, no economy, however grafted onto economic models, escapes local reality, because it is only in local realities that economic relations and processes can materialise.

Callon’s ideas pose a challenge to the ‘lifeworld’ vs. ‘systemworld’ image. In particular, his ideas present a particular view on how the ‘systemworld’ depends on the ‘lifeworld’. This dependency should not just be read in a conditional way, in the sense that without living agents, or certain cultural prerequisites no system could ever evolve. The ‘lifeworld’ does not deliver flesh to the system; it also provides the very bones. Core concepts stem from the ‘lifeworld’ of academia. Core institutions emerge out of processes of historical stabilisation and structuration of complex ‘lifeworld’ processes, aided by the impressive reflexive capacities of the human mind (Storper 1997). In turn, these institutions start to frame minds and actions in such a way as to make the system characteristics even more apparent and powerful. The concepts and institutions underscoring these processes appear like universal, like ‘black boxes’ devoid of historical and geographical contexts and traces (Latour 1999).

Only when overflowing occurs, for instance by connections to other frames, or when consolidated actor-networks start to break up from inside, the fragility of what appeared to be a ‘natural’ system is exposed (Pollock 1998).

The conclusion is that, although the notion of ‘systemworld’ may serve its purpose to explain the power of stabilised actor-networks, systems do not have any autonomy in an ontological sense. They may be seen as having certain autonomous effects since combined efforts of calculative agents produce effects that go beyond individual intentions and awarenesses. But agents operating in economic systems are not ‘desocialised’. On the contrary, an important part of their socialisation is to absorb the mindset and facilities of ‘Homo Economicus’. Some even spend their life on creating new or refined metaphors, stories and discourses that breed new life in old, venerable systems such as our capitalist economy. Equally, as will be discussed in the next section, markets are not the inevitable outcome of the release of natural market forces, but social and organisational processes.
ORGANISED MARKETS

The power of aesthetics is that it makes us overlook the enormous efforts that go into constructing, integrating, refining, smoothing and representing a certain reality. This is behind the notion of 'black boxes', which emerge when the network that has brought a concept or entity into existence becomes obscure (1999). The result is that those concepts or entities appear to be natural or logical items. The same applies to well-functioning competitive markets. A conventional view, stemming from neoclassical economics, is that "competition is intrinsic, and indeed 'natural' to markets, which deliver the goods unless obstructed from doing so" (Bernstein 1996, p.122). However, competition is not a natural principle waiting to be released by the adequate provision of infrastructure for 'demand' to meet 'supply'. Rather, to quote Callon (1998), p. 45: "competition is not the starting but finishing point, of a long structuring process dominated by (largely asymmetric) rivalry between calculative agents". Ceaseless efforts go into making markets perform in a way that resonates, in an acceptable manner, with the norms and expectations regarding market competition, the so-called 'market laws', as sanctioned by socio-economic actors in conjunction with economics: "Market laws account for the (temporarily) regularities progressively enforced by the joint movements of the economy and economics" (Callon 1998, p. 46).

Competition is not God's trick. As Enright (1994, p 8) argues, "Competition is just as much a social process as co-operation". Essential are the rules of the game, which evolve through social interaction. The game can only be performed if the agents abide with the 'laws of the market' (Callon 1998), and if, in turn, these 'laws' (or conventions) are regularly adapted to changing local realities. Local 'laws' regulate the exchange of information and goods, the nature of the objects traded and the conditions of trade and production, the way possible trading partners can be identified, authorised, and, when necessary, sanctioned. They also secure a certain balance of power, etc., and, at the level of society, stipulate the roles, rights and obligations of firms, business associations, consumers and other stakeholders. However, none of these market conventions are really given or stable. New entrants with different perceptions and ambitions, shifts in product definitions, changing consumer awareness, and other factors meddle with the existing framing of market relationships, causing 'overflowing' and the need to reform and renegotiate conventions.

In a seminal paper on the origins of markets, White (1981, p.518) describes markets as "self-reproducing social structures among specific cliques of firms and other actors who evolve roles from observations of each others' behavior (....). Markets are special structures in which producers reproduce their own set of action". White's aim is to embed neoclassical theory within a sociological view of markets, by focusing, using formal modelling, on varying qualities represented by producers. In White's own words (p. 519-520)

"A market is an 'act' which can be 'got together' only by a set of produces compatibly arrayed on the qualities consumers see in them (....). Firms seek niches in a market in much the same way as organisms seek niches in an ecology. Because each firm is distinctive, they are engaged not in pure competition but in finding and sustaining roles with respect to one another given an environment of discerning buyers. But there is no auctioneer to shape the market; instead its structure depends on the interlocking of local orders".

White's formal approach leads to an identification of different types of markets, depending on the cost-quality relationship and the extent of scale economies. The way firms seek particular market niches and interact with each other produces a variety of market dynamics, such as changing overall market size or the degree of market concentration. There are points of temporal equilibrium. However, these resemble conventional neoclassical thinking only in a superficial way: "Observed markets almost entirely escape the computational grasp of existing microeconomic theory (....), although by a variety of devices the theory and whatever is observed are declared to be in harmony" (White 1981, p. 541). The result is: "an affair of
variances rather than the matter of means one might expect from the cliché of supply equaling demand" (White 1981, p. 521). In contrast with the neoclassical approach, the identity of market agents in terms of their quality and market position is of vital importance.

Stressing the social nature of markets invokes the issue of 'embeddedness'. To what extent should markets be considered as 'socially embedded'? A problem with the notion of embeddedness is that it appears to put the world on its head. It starts with conceiving a 'natural' market arena, which develops conforming the economic logic of market competition. Then the idea is added that in order to compete more effectively, market agents engage in durable relationships of trust and co-operation. The social is thus an add-on, a soft but potent elixir that increases competitiveness by invoking powers beyond the economic. The work of White and Callon seems to follow a different line of argument. It is the social interaction between agents engaged in economic trading that engenders and shapes a set of practices and conventions underpinning a kind of market 'logic'. In many ways it is this 'logic', constituted by shared conventions and regulations in the form of for instance antitrust laws, that serves to mitigate negative impact of power abuses and asymmetries. Such abuses and asymmetries are not a specific outcome of economic interaction. On the contrary, they are inherent to social interaction, they are also socially embedded. Perhaps it is the word itself that has produced the confusion: "The metaphor of embeddedness sounds soft and comforting (...) but what it describes can be harsh and oppressive on occasion" (Sayer 2001, p. 697). It is not impossible that the 'lifeworld' dimension may sometimes soften the 'harsh and oppressive' aspects of the 'systemworld', but one should not forget that, in the end, these 'harsh and oppressive' effects also emanate from the 'lifeworld' dimension. The ugly is 'embedded' as much as beauty is.

Accepting that economic markets are not just socially embedded but constructed takes us to the crux of the paper, which bears on the role of space. In line with anthropological and sociological views on markets, Thrift (2000, p.694) posits that markets "are mainly humdrum", based on practices which are "old and venerable" and which at their core have the exchange of information. Markets, he continues, are "highly social in character, even when social interaction is at a distance". Time and place are essential dimensions, because they create specific local realities with their own conventions, stories and 'logics': "Market traders clearly act in different ways in different places and the 'trading crowds' found in markets at particular times therefore vary quite strongly in composition and outlook. Essential is the realisation of difference". Territory plays a complex role, though, since it is associated to the level of both agents and the market. The next section will focus on this role by examining the prevailing perspectives on space and territory.


The message that space and territory matter has gained much weight in the last two decades, in economic geography as well as other disciplines. On how space makes a difference and bears essentiality, opinions differ. Economists like Krugman stress the physical aspects, notably through the concept of distance. Strategic management scholars like Michael Porter perceive space through the lens of the business environment, emphasising the notion of competitiveness. Culture, as a spatially rooted attribute, plays an important role in this approach (Porter 1996). Geographers, building on previous work on the firm and locality, have devoted much work to processes of localisation-regionalisation under conditions of globalisation. This has been connected, in different ways, to work on industrial chains and networks, as well as research on economic activities such as new media, leisure and professional and financial services.

In geography, the region has obtained a prominent place in thinking on the economy and culture. The region has come to present a site of competitiveness within an increasingly competitive world (Lagendijk 2001). Regional competitiveness results from the coherence
and collective power of locally embedded institutions (Peck 2000), from untraded interdependencies and 'packages of conventions and relations' (Storper 1997, p.267), from localised learning through the exchange and accumulation of tacit knowledge (Maskell & Malmberg 1999), supporting locally anchored firms to becoming more innovative, productive and competitive. The region presents a vital source of distinctiveness, of unique combinations of assets rooted in local webs of communication, co-ordination, innovation and production. The region 'in here' is juxtaposed with the global 'out there', which represents a world of harsh and instant competition. The global permanently threatens to erode the distinctive competitive basis of firms and regions, through sweeping forces of homogenisation, of imitation (Gibbons et al., 1994; Storper 1997), and of 'ubiquitification' (Maskell & Malmberg 1999). The latter authors, in particular, assert that localisation is a prerequisite for competitiveness under condition of globalisation.

Many authors have criticised the concept of globalisation and its use in geographical literature (see, amongst many others, Peck 2000; Lagendijk 2001; Zysman 1996; Fagan 1997). What is of interest here is how the locale (regional) vs. global story corresponds to the ‘lifeworld’ vs. ‘systemworld’ binary. Through the emphasis on communication and ‘voice’ (Storper 1997), and on tacit, embodied knowledge, and the significance of the regional identity, the region appears to embody a ‘lifeworld’, a ‘Regional World’. In contrast, the global appears as a ‘systemworld’ through the emphasis on market logic, and the self-sustained forces through which the global, in a sweeping and ‘identity-blind’ manner, frames the fate of businesses and territories. The global ‘systemworld’ encompasses the economic politics of accumulation, allocation and (re)distribution.

Concepts such as ‘Regional World’, regional institutions and regionally rooted distinctive assets picture a regional ‘lifeworld’ contained within the global ‘systemworld’. Through global framing, the global system ‘colonises’ the regional ‘lifeworld’, not in the sense of destroying it but through channelling and instrumentalising the region’s creative capacities. This corresponds to the notion of ‘commodification of culture’ mentioned before.

Globalisation is perceived as a top-down force of organising markets and production systems, inducing a bottom-up pull of territorialisation through tapping into local markets and rooted resources (Soja 2000). In addition to such ‘mechanistic’ responses, globalisation has also triggered countervailing forces of bottom-up heterogenisation and contextualisation (Appadurai 1990), and the organic growth of social, informal networks and alternative market systems (Shields 1999).

In his discussion of the ‘lifeworld’/’systemworld’ duality, Sayer (2001) makes an inventory of corresponding binaries in the literature, and the way these binaries tend to be matched. According to Sayer, these rhetorical correspondences (Table 1, top part), notably that between ‘lifeworld’/’systemworld’ and culture/economy represent in fact mismatches. In line with what is said in previous sections, he argues that both culture and economy contain ‘lifeworld’ and ‘systemworld’ dimensions. So, instead of a simple correspondence, Sayer discusses multiple combinations, allowing for more nuanced forms of articulation.

Table 1. Sayer’s view on rhetorical binaries and matches expanded*

<table>
<thead>
<tr>
<th>systemworld</th>
<th>Lifeworld</th>
</tr>
</thead>
<tbody>
<tr>
<td>organisations</td>
<td>domestic sphere, civil society, community</td>
</tr>
<tr>
<td>hard</td>
<td>soft</td>
</tr>
<tr>
<td>economy</td>
<td>Culture</td>
</tr>
<tr>
<td>allocation/(re)distribution</td>
<td>identity, recognition</td>
</tr>
<tr>
<td>decontextualisation, disembedding</td>
<td>contextualisation, embedding</td>
</tr>
<tr>
<td>homogenisation (’space’)</td>
<td>heterogenisation (’place’)</td>
</tr>
<tr>
<td>global</td>
<td>local (regional)</td>
</tr>
</tbody>
</table>

* My additions in italic; core binaries in bold

Source: Sayer 2001, p. 690
The same line of reasoning can be applied to the spatial binary of global-local. As illustrated in Table 1 (bottom part, in italics), the regionalist literature hints at a simple alignment between ‘systemworld’/‘lifeworld’ and global/local, in line with the economy/culture distinction. Fagan (Fagan 1997) challenges this view as follows: "(...) it is a mistake to represent 'global' as the scale most obviously ruled by general (economic) laws of capitalist society while 'local' is seen as unique, chaotic, parochial and the realm of culture and local agency". An alternative, articulated perspective can be developed by crossing the two binaries in a matrix form, as shown in Table 2, resulting in two new categories (shown in grey). These categories will be discussed now in more detail.

Table 2 Systemworld/lifeworld vs. global/local

<table>
<thead>
<tr>
<th>systemworld</th>
<th>lifeworld</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global</td>
<td>(1) competitive integrated market, global system of accumulation</td>
</tr>
<tr>
<td></td>
<td>(2) market conventions 'at a distance'; global networks as chains of communication and social interaction; 'cultural circuit of capital'; spatial and sectoral variation</td>
</tr>
<tr>
<td>local (regional)</td>
<td>(3) localised competition, local politics of accumulation, allocation and (re)distribution</td>
</tr>
<tr>
<td></td>
<td>(4) communication and 'voice'; packages of conventions and relations; cultural variation</td>
</tr>
</tbody>
</table>

* boxes in grey complete the matrix (in comparison with Table 1)

What 'lifeworld' can we find in the global (Table 2, box 2)? Undeniably, there are 'global forces' which go beyond the 'lifeworld' in the sense of the daily, localised social practice of human action and communication. These forces are manifested through systematic political and economic (inter)dependencies spanning the globe, resulting in relatively stable concentrations of political and economic power. Mere attention for the system characteristics of the global and globalisation glosses over the way critical (inter)actions and processes are essentially social in nature. Globalisation does not mean the breakdown but a reconstitution of the social (Albrow et al. 1997). Globalisation may involve a de-contextualisation from local contexts, as one may experience while travelling through international airports, while passing through shopping malls full of chain shops and fast-food restaurants. Such de-contextualisation however is never complete. Not only do local characteristics and peculiarities manage to seep into such 'global' spaces, so that shopping malls remain distinctively American, German or French. Also, what is initially perceived of as a symbol of ongoing globalisation, such as expanding airports, may become a local icon, and even part of local identity. Another point is that processes which appear as de-contextualisation from a local perspective are necessarily accompanied with processes of (re)contextualisation and recognition from a social perspective. Airports, shopping malls and fast-food restaurants are networked sites that cannot survive without providing new contexts and frames. The 'global' networks and processes supporting these sites require sharing of codes, norms and interests as much as 'Regional Worlds' do, although in an 'upscaled' version. Exchange at a distance is also a social process, although through different modes and with different characteristics compared with local interaction (Thrift 2000).

The 'global' market economy also provides a case of de- and re-contextualisation. While 'colonising' local economic sites, the global market shapes a new social world, for instance by the circulation of managerial discourse with its typical metaphors of innovation, efficiency, rationality, etc, and its tools of calculations. This is what Thrift (1997) depicts as the ‘cultural circuit of capital’ sustained by academics, consultants, business schools, gurus, journals, seminars that all help concepts and stories to proliferate and travel around the globe. However, what is often overlooked is that the ‘cultural circuit of capital’ is multifaceted and differentiated across sectors and places. Not only are cultural differences between countries, also sectors and specific economic activities differ in the kind of business symbols, management concepts, key figures, meeting and information sites, and conventions that constitute their world of interaction. A brief look at trade magazines illustrates the differences.
in languages, conceptions, identities and definitions of what is at stake in different segments of the economy.

It is not only at level of symbols and culture that the global economy entails ‘lifeworld’ characteristics, but also at the level of interaction. Economic activities linked across space, as conceptualised through the notion of ‘filières’ or ‘global production networks’ (Henderson et al. 2001), represent social worlds of communication and social interaction dominated by various kinds of networks, market alliances and competitive relations comparable to those offered within regional ‘lifeworlds’. White’s (1981, p 518) work quoted before provides a good illustration of how apparent ‘system’ characteristics of competitive markets are rooted in the ‘lifeworld’ dimension of social interaction between what he describes ‘cliques of firms’, engaged in market competition. Beije and Groenewegen (1992), who base their analysis of markets on an organisational network perspective, come to similar conclusions. The authors present a layered model of social interaction within the market, which combines both factors of efficiency and dominance. Like in White’s case, the behaviour of firms is explained in terms of their network position. In Beije and Groenewegen’s case, this does not include market networks, but also supply networks, technology networks, official networks, that span different spatial levels and social dimensions.

In turn, the region also embodies characteristics of the ‘systemworld’ (Table 2, box 3). The system elements that characterise the global do not stop at the regional boundaries. Regions also embody politics of accumulation, allocation and (re)distribution, producing and maintaining internal spatial and social polarisation (Lovering 1999). A similar reasoning applies to business activities and attitudes. In general, there is no sharp divide between what firms do within regions and between regions. Firms may engage in local networking as part of a joint strategy to raise competitiveness, but this does not reflect a natural blurring of firm boundaries within a ‘softer’ world of proximate socio-economic interaction. On the contrary, as Markusen (1998) argues, boundaries of the firm are generally not fuzzy, but highly codified and protected, whatever the spatial level.

In many cases, the commitment of firms to local networks follows from political pressure and policy initiatives, rather than proximity imperatives (Lagendijk 1999). Indeed, much of the ‘lifeworld’ conceptualisation of the region, with its emphasis on ‘voice’ and collaboration, stems from the ambitions of local politicians and policy-makers to create an image of an harmonious world ‘in here’ that contrives to compete against the rivals ‘out there’, through the ‘spatialisation of solidarity’ (Van Houtum 2003). This is not to deny that significant processes of collaboration, within and between economic and political arenas, flourish at the region level. But these processes should not be read as germane to the regional scale, based on a spatial logic of proximity and local embeddedness. Instead, local processes, both in their ‘systemworld’ and ‘lifeworld’ dimensions, should be understood in the wider context in which they evolve: "local-scale processes always reflect the national and global contexts in which they are embedded" (Fagan 1997, p. 202; see also Massey 1993). The local activities of business firms, research centres or authorities are heavily influenced and informed by the positioning of these actors in networks at national and global scales. So like ‘lifeworld’ and ‘systemworld’ should be understood as metaphorical dimensions rather than distinct ontological realities, so ‘regional’ and ‘global’ scales (and the ‘national’ level in between) should be considered as much more fluid and interwoven than what is portrayed in the regionalist literature.

A more radical way to overcome both the ‘systemworld’-‘lifeworld’ and local-global binaries stems from actor-network thinking. This starts with the notion that, effectively, one can never leave the local. Even when one is virtually connected with machines and people on the other side of the globe, one does not escape from the local context: the machine, the cables, the physical setting, one’s own body etc. Moreover, one is not connected to the ‘world’ but to a myriad of other locales that happen to be located far away. The ‘global’ is constituted through networked locales. Notions as the ‘global’ emerge through the imaginative abstracting from networked locales, rather than reflecting the subduing of the local level. In the words of Latour (1999, p. 18-19): "Larger contexts also flow locally through networks (...). Micro and macro are local effects of hooking up to circulating entities". The actor-network approach
thus effectively abolishes the distinctions between micro and macro (Busch & Juska 1997), and between local and global. From a political perspective, the discursive and institutional processes of global scaling serve as a technique for making things effective locally (Thrift 1997). So imagining the global context as a competitive market place, and connecting regional action firmly to such an image, provides a strong tool for manipulating local processes. The circulation of such notions across the world, through many local sites of regional action, has helped to frame and empower the notion of 'globalisation' and other 'global' artefacts. What has helped further is the discursive purification of such global notions, clearing them from any local rooting or history, from any localised practice, transforming them in 'black boxes' of uncontrollable power.

Actor-network thinking inspires an alternative image of the 'global' being constituted, discursively and institutionally - but not always self-consciously - through 'interconnected locales'. This image does not imply that the local level is, in essence, autonomous, representing the necessary methodological starting point for any study of globalisation. On the contrary, as the quote of Latour stresses, identities at the local level can only be defined in terms of the associations made with circulating entities. Regarding regional economic development present, these entities - notions of competitiveness, flows of capital, scripts of innovation, success stories of regional development - are presently framed within the context of globalisation. However, globalisation does not represent another reality beyond the local level, or a shifting spatial reality. What symbolises 'globalisation' - global market competition, stock trading, financial flows - is performed in interconnected practices and stories of everyday local life, in what can be called a ‘globalised lifeworld’ (Dürrschmidt 1997). As a consequence, 'globalisation' represents discursive and institutional processes that are territorially and culturally rooted (Swyngedouw 2000).

In summary, much of the recent literature on regional development has imagined the region as an harmonious, integrated ‘lifeworld’ that should use the lifeflows flowing through its arteries of connected businesses, knowledge organisations, government agencies etc. to defend itself against the systematic exploitation of the outside world. Admittedly, many authors have qualified this image in some way or another, for instance by arguing that only more privileged places, that can build on institutional and cultural capital, will be able to outrun competitive pressure on the longer term (Scott 1999; Storper 1997). But even in these more critical accounts, there is a tendency to juxtapose the regional ‘lifeworld’ to the global market system. As argued here, there are two ways to overcome this duality. One way is to shift from a table of oppositions (Table 1) to a matrix (Table 2), in which both the global and regional entail ‘lifeworld’ and ‘systemworld’ characteristics. We may even accept the notion that there is no escape from the local level but that the capacity to interconnect and circulate entities creates temporary stabilisations of dominant stories, discourses and institutions that go far beyond the control, or even the grasp, of the local level.

The argument put forward here is that regional economic analysis requires a proper understanding of the social and spatial characteristics of markets. Markets, in turn, represent good examples of networks of interconnected locales, where images of, and information about, markets and their constituent agents are formed and circulated through a constant flow of local action and interaction. The history of markets is illustrative in this respect. Many markets originated from spatially concentrated exchange in physical market places, which were linked between regions through interurban networks, such as the Hanseatic League. Subsequently, increased communication ‘at a distance’ and the development of advanced tools of calculation produced a fragmentation of local market places. Central market places broke up in many different sites and channels of communication and trading, although with a continued preference for major urban settings and specific local sites (such as high streets and business quarters). This fragmentation has been compensated by the organisation of seasonal spatial gatherings in the form of trade fairs, and ‘global’ modes of communication that store core data in single places such as trade reference books and data systems. At present, even the most ‘globalised’ sectors such as media and ICT activities show a combination of spatial fragmentation confined to major urban areas with spatial concentration in the form of communication nodes and periodical mass meetings (Cornford et al. 2000). Other sectors can
also be interpreted in terms of interconnected locales, although with different bearings on territory and regional development, as the next section will show.

THE INTERCONNECTED LOCALES OF THE WINE FILIÈRE

Like many other sectors, the wine sector is considered to be subject to pressures and opportunities stemming from globalisation, resulting in enhanced ‘global’ competition. Given this context, the sector offers a good illustration of how a prevailing binary territorial perspective, in which the ‘local’ is juxtaposed against the ‘global’, could be replaced by a more articulated perspective.

Increased global trade and competition in the wine sector has been induced primarily by the rise of the ‘New World’ producers, particularly Australia, the Americas, and South Africa, but also by the rise of new wine regions in Europe, notably in Eastern Europe (and perhaps in the near future, England and Holland?). European ‘Old World’ producers tend to portray this development as undermining traditional, locally embedded ways of work, production and marketing. In his introduction to the 2002 World Wine Forum (Logroño, La Rioja, Spain), the responsible regional minister Francisco Erro Urrutia declared:

We find ourselves at a crucial moment in history. The gulf between traditional producers and winemakers and those countries which do not share these ideas becomes deeper day by day. This leads to a situation of constant confrontation in the markets at world-wide level which could have deep and significant repercussions in each case. But it will have a particular effect on those of us from countries which defend the World of Traditional Wine (Erro Urrutia 2002).

Similarly, Pierluigi Bolla, an expert on Italian wine production, argues that, under the condition of globalisation:

Italian wine-growing is confirming its worldwide leadership by establishing a position at the forefront of what is by now characterised as the great "challenge", even in cultural terms, between European and emerging countries. The European reality, especially in Italy, is permeated by a culture of a profoundly regional character, defending local territory, the typical nature of produce and traditions in the face of a reality in ‘Anglo-Saxon’ and other countries with a more recent history of wine production where varietal wines are coming to the fore in a context markedly oriented towards the market and innovation. (Vinitalyonline 2001)

Local ‘lifeworlds’ of viticulture and wine production are thus challenged by a ‘systemworld’ ruled by global processes of market development and innovation, accompanied by the rapid transfer of technology and marketing process. This proliferation of the ‘systemworld’ dimension is exemplified, in particular, by the growing impact of so-called ‘flying winemakers’, i.e. expert oenologists travelling around the world to advise local winemakers. Such advice can entail quick fixes for acute problems, like ‘winedoctors’, but also a long-term project of vineyard and wine development. Flying winemakers bring state-of-the art knowledge and experience in grape cultivation, fermenting, processing, and blending, based on most recent technological development, combined with practical knowledge of marketing strategies and trends. Regarding marketing, they facilitate, to use the term used earlier, ‘the commodification of culture’, in which ‘culture’ denotes the constructed identity of a local wine area. Besides knowledge, they also play an important role in spreading the use of grapes with world reputation such as Cabernet Sauvignon and Merlot, thus facilitating the ‘globetrotting for grapes’ (Prial 2000). Such expert winemakers are mostly educated in one of the world’s ‘wine universities’: Roseworthy (Australia), Montpellier (France), or David College (Berkeley, California).
Flying winemakers, and the centres in which they are educated, have played an important role in the success of new wine regions. From the perspective of traditional wine production, flying winemakers can be considered as genuine ‘modernisers’ that set out to substitute modern technology and management for historically evolved practices. In the words of a well-known flying winemaker, Michel Rolland:

There are no secrets to what I do (…) : I make wine the way I made it 20 years ago, but always with small changes. Yes, there are still winemakers who say, ‘I make wine like my father and his father before him’, but you can be sure of it, those are the vineyards that are going downhill. The best way to negate quality is to ignore the technological developments and research findings of our time (Prial 2000).

Flying winemakers are not only well-paid agents of modernisation, however. They have become quality and marketing symbols themselves. Some wines derive their success more from carrying the name of a reputed international winemaker than from their ‘terroir’, grape contents or producer estate.

‘Old World’ critics, in particular, see flying winemakers as agents of pervasive globalisation and homogenisation:

While it is easy to make perfectly acceptable red (wine) from these grapes (Cabernet Sauvignon and Merlot) from all around the world, thanks to improvements in vinification techniques, it has led to a sort of vinous homogenisation. One country’s Cabernet or Merlot could easily be another’s. Flying winemakers may be making wine in three of four continents to great effect, but they don’t always do it in a style that reflects country or region (Editorial, WINE, November 2001).

While there may some truth in this, several qualifications should be made. First, one should not forget that grapes have trotted the globe almost since the beginning of wine production, which has never prevented new varieties to emerge either through experimentation or organic growth. Second, flying winemakers are not part of an ‘abstract’ global space. They live and work in wine communes, although with agendas and practices different from local winemakers. More than agents of an unstoppable process of globalisation and homogenisation, they are the key agents of ‘interconnected locales’. They connect places of winemaking to other such places, as well as to knowledge centres, exhibition fairs, places where competitions are held, etc. Flying winemakers, to use Thrift’s (1997) expression again, embody the actual ‘cultural circuit’ of the wine sector, together with wine associations, trade journals, websites, wine experts and scholars etc. They (re)organise the quality wine market, both in terms of conventions (e.g. by overthrowing the traditional ‘Appelation Contrôlée’ regime) and in terms of geography.

Hence, although global, the world of wine production is still a social world, based on codes, conventions and symbols shaped in and circulating through places. To understand this world, one has to examine what happens in places where winemakers - flying or otherwise - are trained and work, in places where winemakers and -traders meet to exchange information and contracts, in places where the wine journals are edited, etc. This is not a polished, purified world working on the basis of system logic, although stabilisation of networks and processes of institutionalisation may produce consequences that, for a while, appear system-like. Rather, this is a world that thrives on hypes, trends and buzz, on technological and marketing insights that come and - to a large extent - go, and on the influence of individual people that, for a while, have come to dominate certain segments of the sector. This world is surrounded, in addition, by a political arena that tries to shape the regulatory basis of the sector in such a way that chimes with the particular interest of regional, national or continental development. Most significantly, this world evolves on the basis of networks connecting these heterogeneous items. In this world, finally, ‘globalisation’ represents an important ‘codeword’ (Zysman 1996), enrolled for many strategic purposes. It is not a pervasive force of change.
Another example of how alleged ‘systemworld’ processes are mediated by ‘local’ particularities is offered by the retail sector. Across the globe, exporting wine producers have become highly dependent on large supermarkets and wine shop chains, which demand a combination of stable quantity and quality. In terms of large-scale trading and influencing mass consumer attitudes, supermarkets and wine shop chains play a very dominant role. This role, however, is not independent, but closely related to what happens in the wine sector at large, in terms of trends and developments in markets and production, and the way the market is organised. Obviously, the retail sector makes its own contribution to these developments, notably on the side of consumption. They also contribute, to a considerable extent, to increased concentration and homogenisation in the mass market. Yet, the widespread phenomenon of speciality wine shops continues to support variety in the sector (Dickenson 1992). Hence, the influence of the mass retail sector should be understood as part of their network position amidst that of, amongst others, producers, producer alliances, small retailers and regulatory agents (Ilbery & Kneafsey 1999).

The global, accordingly, does not simply correspond to a dominating ‘systemworld’. Likewise, the ‘terroir’, cannot be simply be equated with a ‘lifeworld’ grafted onto local traditions and local produce (for a summary of the argument, see Table 3). Since centuries, many ‘Old World’ wine producers have used ‘foreign’, notably French, vines and techniques, not least as a way to combat the French domination of the quality market. In some cases, this has even been facilitated through the regime of wine certification. In Spain, for instance, regulators of the national system of origin control, 'Denominación d'Origen' (DO) certify certain wine that is produced on the basis of non-indigenous vines. In the 'New World', on the other hand, regions of origin have continued to play an important role, although not imposed by a regulatory straightjacket common to the 'Old' wine producing areas. South African wine experts even recommended introducing a system of 'terroir' labelling for marketing reasons (Toerien 2000). ‘Local worlds’, hence, have always been connected by webs of exchange and rivalry, as part of 'interconnected locales'. They do not represent autonomous entities now threatened by pervasive ‘globalisation’.

Moreover, the concept of ‘interconnected locales’ does not mean that first there were locales, and then there were interconnection between them. On the contrary, in line with actor-network thinking, it is through the interconnections that locales derive their meanings, significance and identity. More concretely, these interconnections induce local actors to adopt new practices, to adapt to new market circumstances, to embed themselves effectively in 'global' networks of communication, trade fairs and expert knowledge. Such processes, generally labelled as 'modernisation', generally have significant repercussions on the 'systemworld' dimension of regional production, through inducing processes of concentration, technological change and introducing new management practices and industrial relations. 'Modernisation' is not understood here in any teleological sense, but only refers to systematic changes that emerge through the webs of 'interconnected locales'.

Table 3. Systemworld/lifeworld vs. global/local: the case of the wine sector

<table>
<thead>
<tr>
<th>systemworld</th>
<th>Lifeworld</th>
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<tbody>
<tr>
<td>Global (1) market integration, 'vinous homogenisation'; global concepts of wine production, certification and marketing</td>
<td>(2) 'flying winemakers' connecting locales of wine production and 'wine universities'; 'hypes, trends and buzz'</td>
</tr>
<tr>
<td>local (regional) (3) modernisation; inducing exposure to 'external' pressures and knowledge</td>
<td>(4) 'terroir': locally specific and recognised forms of wine production</td>
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</table>

CONCLUSION
While presenting refined ideas on the culture-economy relationship, recent work by geographers has tended to convey rather simplistic notions of territory. Most work is still grafted onto the local-global binary, generally couched in terms of the significance of region in a world of increased globalisation. Even more advanced work, either on the role of culture (cf. Gregson et al. 2001; Scott 1999) or focusing on the politics of scale (Swyngedouw 1997) has not really succeeded in freeing geography from its local-global fixation. This is remarkable, also given the fact that geographers have made significant contributions to overcoming other binaries, such as in the economy-culture debate.

Invoking Habermas’ terms of ‘systemworld’ and ‘lifeworld’, this paper has sought to develop a more nuanced perspective on economy and territory. The aim was not to replace the notions of ‘global’ and ‘local’ altogether. Rather, the aim was to provide an articulated understanding of how more social-cultural and more market-oriented facets intertwine at both the local and global level, although in different configurations. The message is that both ‘local’ and ‘global’ are useful analytical and discursive concepts, but they should not be simply equated with either social-cultural binding or economic logic, that is, with either ‘lifeworld’ or ‘systemworld’. Such equations result in, to follow the argumentation of Sayer, rhetorical mismatches.

At the local level, a more articulated perspectives means that we look into the manner ‘locales’ or regions are intrinsic parts of webs of exchange, rivalry and identity formation. Indeed, it is within the context of these webs that a ‘locale’ or region obtains a certain position, significance and identity. The ‘global’, on the other hand, should be understood through the notion of ‘organised markets’. The notion of ‘organised’ refers to the role of conventions that bear on market relations and interactions - to a large extent stemming from self-organisation - and to the territorial dimension. Markets do not represent singular, ubiquitous forces of untamed competition, but they embody highly complex institutional and territorial arrangements, as the wine sector example illustrated. So not only production and consumption should be interpreted as geographically and historically specific, but also the world of exchange that binds the two. Unravelling these arrangements will provide new insight into how the ‘local’ level is effectively shaped by, as well as hooked up onto, the ‘global’ level.

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