

A Discussion Paper on Caste to Consumption:  
The Enduring Power of the Consumer Caste  
System (A Lament on Status, Wealth, and Social  
Behaviour in India)

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**A Discussion Paper on Caste to Consumption: The Enduring Power of the Consumer Caste System (A Lament on Status, Wealth, and Social Behaviour in India)**

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**Abstract**

*This paper critically examines how India's historical caste system has transformed into a "consumer caste system," where social status is determined by visible consumption rather than traditional ritual hierarchies. It explores the interplay between caste, class, and consumption in shaping identity and aspirations in post-liberalisation India. Drawing from interdisciplinary literature, the paper identifies psychological and economic consequences such as reduced well-being, rising debt, and persistent inequality. The study calls for a redefinition of success beyond material symbols and advocates for cultural and policy shifts to disrupt status-based consumption.*

**Keywords:** Consumer caste system, Conspicuous consumption, Social stratification, Subjective well-being, Status signalling, Cultural psychology.

**INTRODUCTION**

India's rapid economic liberalisation has restructured its social landscape, yet remnants of the caste system continue to shape contemporary hierarchies. What has emerged is not the erasure of caste, but its reinvention through consumption, where luxury goods, brand affiliations, and lifestyle choices operate as new status markers. This paper introduces the concept of a "consumer caste system," situating it at the nexus of social psychology, economic stratification, and cultural tradition. It interrogates the motivations behind status consumption, the societal pressures to "fake wealth," and the consequences for well-being and equity. In doing so, it highlights the deep entanglement of India's past with its consumerist present.

India's economic liberalisation and subsequent rise in consumerism have also brought about profound changes in the nation's social fabric. Yet, beneath the surface of its burgeoning middle class and visible prosperity, a complex interplay of tradition and modernity persists. Nowhere is this more evident than in the phenomenon of "faking wealth," the pursuit of status through conspicuous consumption, often at the expense of genuine well-being. This paper interrogates the roots and

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ramifications of this phenomenon, with particular emphasis on the persistence and transformation of the caste system into a "consumer caste system."

## **The Caste System: From Social Hierarchy to Consumer Stratification**

### **Historical Roots and Enduring Structures**

The Indian caste system, dating back over three millennia, has served as a rigid framework for social organisation, dictating occupation, marriage, and status (Freitas, 2006). This system institutionalised inequality, enforcing collective action and contract enforcement through tightly knit, endogamous groups. While economic modernisation and legal reforms have eroded some aspects of caste-based discrimination, the underlying logic of hierarchical social ranking remains deeply embedded in Indian society (D'Souza, as cited in IJHSSI, 2013; Freitas, 2006).

### **Caste and Class: Overlap and Evolution**

Recent scholarship notes that while class is increasingly replacing caste as the primary axis of social stratification, the two systems remain intertwined (IJHSSI, 2013). Ownership of land and property, once the preserve of upper castes, now intersects with new forms of economic capital. However, the symbolic power of caste persists, influencing settlement patterns, access to resources, and, crucially, the consumption of goods and services as markers of status (IJHSSI, 2013; The Diplomat, 2017).

### **Contextualization**

The concept of conspicuous consumption originates with Thorstein Veblen's *Theory of the Leisure Class* (1899), where wealth is displayed to signal social position. I localise this framework in post-liberalisation India, where a growing middle class leverages material goods to "fake" upward mobility, especially in a context where structural barriers remain due to caste.

Similar dynamics have been observed globally, for example:

- In China, post-socialist stratification is increasingly shaped by branded consumption (Yan, 2009).
- In Brazil, status consumption among lower-income groups is tied to identity assertion in racialised class hierarchies (Pereira and Melgar, 2022).

### **Explanation of Core Concepts**

1. Consumer Caste System. A sociocultural evolution of the caste system, where consumption substitutes for ritual status. Caste markers become consumption markers — luxury weddings, branded clothing, tech gadgets — as a means of gaining symbolic capital.

2. Positional Treadmill. Coined in economics to describe how relative social gains cancel out — i.e., if everyone spends more to appear wealthier, no one gains status. Kumaran illustrates how this cycle leads to financial stress and diminished well-being (Linssen et al., 2011).

3. Subjective Well-being vs. Material Prosperity. Despite higher consumption, studies (e.g., Easterlin, 2010) show happiness plateaus or declines due to comparison-based stress, debt, and unmet psychological needs.

4. Cultural Collectivism and Status Pressure. Purchasing decisions are socially negotiated and publicly scrutinised, creating collective compulsion rather than individual choice (MyHubble, 2025).

## **The Rise of the Consumer Caste System**

### **Brand Consciousness and Status Symbolism**

A defining feature of contemporary Indian society is its extraordinary brand consciousness. A 2011 Harris Interactive Poll found that 74% of Indians were brand-conscious, compared with just 26% in the United States (The Diplomat, 2017). This heightened sensitivity to brands is not merely a product of globalisation or Western influence; it is deeply rooted in the desire to signal status within a stratified social order. The proliferation of products such as skin-whitening creams, for example, is linked to both colonial legacies and caste-based ideals of purity and superiority (The Diplomat, 2017).

### **Conspicuous and Luxury Consumption**

Recent empirical research demonstrates that conspicuous and luxury consumption in India is driven by more than just rising incomes. Social identity, shaped by caste, class, and community, plays a critical role in determining who consumes what and why (Bhara et al., 2022). The emerging middle and upper classes, eager to distinguish themselves from lower-status groups, invest heavily in status goods, from designer apparel to lavish weddings and high-end electronics. This behaviour is not simply aspirational; it is performative, designed to signal belonging to a higher social echelon (Bhara et al., 2022).

### **The Positional Treadmill**

The pursuit of status through consumption creates what economists call a "positional treadmill," where individuals must continually escalate their spending to keep up with their peers (Linssen et al., 2011). This dynamic is particularly pronounced in India, where relative status is fiercely contested and where the costs of falling behind are both social and psychological.

### **Caste Impact on Consumer Behaviour in Modern India**

In modern India, caste continues to shape consumer behaviour by influencing aspirations, spending patterns, and the symbolic meanings attached to products. Although overt caste-based segregation has diminished, its cultural residue persists in how individuals perceive and perform their social identities. This has given rise to what scholars describe as a "consumer caste system", where consumption becomes a surrogate for caste-based status.

Upper and middle castes, with better historical access to education and wealth, are more likely to engage in conspicuous consumption, purchasing branded goods, vehicles, and services that signal elite status. For these groups, consumption reinforces their existing privilege. Conversely, individuals from historically marginalised castes may use consumption as a strategy for *status emulation*, adopting behaviours and possessions associated with higher castes to gain social recognition.

Bhara, Lele, and Rao (2022) found that luxury consumption in India correlates more strongly with social identity markers (like caste) than with income alone. This suggests that consumption is not merely economic but deeply socio-cultural. Furthermore, caste shapes community expectations around weddings, festivals, and even household furnishings, creating pressure to conform to consumption norms aligned with one's caste or aspired status group.

Thus, caste continues to function as a *cultural filter* through which economic behaviour is interpreted, often reinforcing inequalities by compelling lower-caste individuals to overconsume in pursuit of symbolic mobility — sometimes at the expense of financial stability.

## **The Psychological Cost of Conspicuous Consumption**

The psychological cost of conspicuous consumption lies in the stress, dissatisfaction, and anxiety that accompany status-seeking through material goods. In societies like India — where collective values and rigid social hierarchies persist — the drive to signal status through consumption can create a "*positional treadmill*", where individuals must continuously escalate spending to match or outdo their peers. This leads to chronic dissatisfaction and reduced subjective well-being.

Linssen, van Kempen, and Kraaykamp (2011) conducted a study in rural India and found that households engaging heavily in conspicuous consumption reported lower levels of life satisfaction compared to those who did not. Despite owning more luxury goods, their sense of happiness and well-being was diminished, largely due to social comparisons and debt incurred to maintain appearances.

The emotional toll is compounded by social pressure and fear of exclusion. In collectivist societies, where public image and family honour matter significantly, failing to meet consumption standards can result in shame, ostracism, or reduced marriage prospects. This often forces individuals, especially from lower-income backgrounds, into financial decisions that compromise long-term security.

Moreover, conspicuous consumption can induce identity dissonance, particularly when individuals feel compelled to display a lifestyle misaligned with their economic reality. This “faking it” leads to emotional exhaustion, undermining both self-esteem and social trust. Thus, the psychological cost is not just personal but societal, eroding well-being while perpetuating a culture where appearance overrides authenticity.

## **Materialism Replacing Traditional Social Structures In Developing Economies**

Materialism can superficially displace traditional social structures like caste, kinship, or tribal affiliations, but it rarely replaces them entirely. Instead, it often functions as an *overlay* — a new layer of stratification that both mimics and reinforces pre-existing hierarchies in a different form. In developing economies like India or Brazil, where inequality remains deeply entrenched, materialism often coexists with and even amplifies traditional structures.

In India, for example, the *consumer caste system* reflects this dual structure. While brand ownership and luxury consumption may appear to democratise social status, access to such consumption is still limited by wealth, education, and social networks — all of which are influenced by caste. As Chua (2012) notes in Southeast Asian contexts, consumerism may give an illusion of social fluidity, but it rarely dismantles the structural roots of inequality.

Moreover, in rural and peri-urban communities, kinship and caste remain dominant forces in marriage, occupation, and community leadership. Even as material aspirations grow, these structures continue to shape life trajectories and access to opportunity.

That said, materialism can challenge traditional hierarchies by providing alternate avenues of status recognition — such as entrepreneurship or media influence — especially among youth. The rise of digital consumption (e.g., influencer culture) creates new “social currencies,” but these are not evenly distributed and often mirror existing power dynamics. In sum, materialism does not replace traditional structures; it adapts and rearticulates them in a consumerist vocabulary.

## **Psychological and Cultural Drivers of Status Consumption**

### **Cultural Values and Social Pressure**

Indian consumer behaviour is profoundly shaped by cultural values that emphasise family honour, community standing, and tradition (MyHubble, 2025). Decisions about what to buy are rarely individual; they are negotiated within families and communities, with an eye toward how purchases will be perceived by others. This collective orientation amplifies the pressure to engage in conspicuous consumption, as individuals seek to uphold not just their own status, but that of their kin.

### **The Role of Persuasion and Emotion**

Advertising in India leverages both emotional appeals and celebrity endorsements to persuade consumers that certain products are essential for social acceptance and personal fulfilment (MyHubble, 2025). The desire to belong, to be seen as successful, and to avoid social exclusion motivates many to spend beyond their means on status goods.

### **Motivation and the Illusion of Advancement**

The aspiration to rise above one's inherited social position is a powerful motivator in post-liberalisation India. Yet, for many, the only available means of signalling upward mobility is through visible consumption, rather than substantive changes in education, occupation, or wealth (MyHubble, 2025). This creates a cycle of "faking it"—projecting an image of prosperity that may not reflect underlying economic realities.

### **The Social and Economic Consequences of Faking Wealth**

#### **Subjective Well-being and the Costs of Conspicuous Consumption**

Contrary to the promise of happiness and fulfilment, research indicates that higher spending on conspicuous goods is associated with lower levels of subjective well-being in India (Linssen et al., 2011). The pressure to keep up with others leads individuals to divert resources from basic needs to status goods, resulting in material deprivation and psychological distress. The positional treadmill effect ensures that no matter how much one spends, satisfaction remains elusive, as social benchmarks continually shift upward (Linssen et al., 2011).

### **Social Mobility and Structural Inequality**

While conspicuous consumption may offer the illusion of social mobility, it often reinforces existing inequalities. The consumer caste system, much like its traditional predecessor, limits genuine upward movement by tying status to visible, but often unsustainable, displays of wealth (Bhara et al., 2022; The Diplomat, 2017). Those who cannot afford to participate in this economy of appearances are marginalised, while those who do so at great personal cost may find themselves trapped in cycles of debt and insecurity.

### **Behavioural and Personality Impacts**

Recent behavioural research reveals that the legacy of caste-based social identity continues to shape economic behaviour and personality traits among Indians. Lower-caste individuals, for example, score lower on measures of competitiveness, confidence, and grit—traits that are crucial for educational and economic success (Econstor, 2020). These psychological effects compound the disadvantages faced by marginalised groups, making it even harder to achieve genuine social mobility through legitimate means.

## **Discussion: The Lament of the Consumer Caste System**

The transformation of India's caste system into a consumer caste system represents both continuity and change. While the markers of status have shifted from ritual purity and hereditary occupation to brands and luxury goods, the underlying logic of social stratification persists. The relentless pursuit of status through consumption is, at its core, a lament, a collective cry for recognition, belonging, and dignity in a society that continues to measure worth by external markers.

This lament is not without irony. The very behaviours intended to signal success often led to greater insecurity and unhappiness. The positional treadmill ensures that satisfaction is always just out of reach, while the diversion of resources from essential needs to status goods undermines both individual and collective well-being (Linssen et al., 2011). The consumer caste system, like the traditional caste system before it, enforces boundaries and perpetuates inequality, even as it offers the illusion of mobility.

## **Critical Analysis of Central Argument**

The core thesis of this paper is that caste-based social stratification in India has not disappeared but been transformed into a *consumer caste system*, in which consumption patterns (particularly luxury and branded goods) function as markers of status. This system perpetuates inequality and undermines psychological well-being.

### **Strengths**

- Interdisciplinary lens: Draws from sociology, psychology, behavioural economics, and cultural studies.
- Culturally grounded: Contextualises Indian consumerism within caste, family, and community dynamics.
- Well-sourced: Supports claims with references from peer-reviewed and institutional sources (e.g., Linssen et al., 2011; Bhara et al., 2022).

### **Weaknesses**

- Limited empirical data: The author relies heavily on secondary sources and theoretical synthesis without presenting original quantitative research.
- Prescriptive ambiguity: The call for "authentic social progress" lacks concrete policy or institutional pathways.

## **CONCLUSION**

The consumer caste system represents a continuity of India's stratified society, repackaged in materialistic terms. While conspicuous consumption offers the illusion of mobility, it reinforces the very inequalities it seeks to overcome. The relentless pursuit of status through goods leads to financial insecurity and declining well-being, particularly among marginalised groups. Addressing this challenge requires not only economic interventions but also cultural shifts that prioritise authenticity, social solidarity, and psychological health over outward displays of wealth.

This paper offers a poignant cultural and psychological analysis of how caste logic survives in modern India through patterns of consumption. By blending interdisciplinary insights, the work critiques not only economic inequality but the performative nature of status in Indian society. The call for non-material metrics of success and well-being is timely, but must be supported by systemic changes in education, media, and community norms.



Faking wealth in India is not merely a matter of individual choice or moral failing; it is a structural phenomenon rooted in the country's unique history of social stratification. The consumer caste system represents the latest incarnation of an ancient logic, one that prioritises appearance over substance and perpetuates cycles of inequality and dissatisfaction. Addressing this challenge requires more than financial literacy or consumer education; it demands a fundamental reimagining of what it means to be successful, respected, and fulfilled in contemporary India.

This paper presents a sociological and psychological critique of how India's traditional caste hierarchy has evolved into a modern "consumer caste system," where social status is increasingly defined by conspicuous consumption rather than ritual purity or occupation. The author connects cultural psychology, economic behaviour, and post-liberalisation consumer patterns to argue that the illusion of social mobility via materialism is deepening inequality and eroding subjective well-being.

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