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Global Problems and the Culture of Capitalism

Richard H. Robbins
State University of New York at Plattsburgh

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PREFACE

Over the past 400 to 600 years, a culture and society, originating for the most part in Europe and dedicated to the idea of trade and consumption as the ultimate source of well-being, began to expand to all parts of the globe. In many ways it is the most successful culture and society the world has ever seen, its technology, wealth, and power monuments to its success; however, accompanying its expansion have been problems—growing social and economic inequality, environmental destruction, mass starvation, and social unrest. Most members of this society and culture perceive these problems as distant from themselves or as challenges for them to meet. However, there is the possibility that these problems, which threaten to negate everything this culture has accomplished, are intrinsic to the culture itself. That is the possibility to be explored in this book.

The outline of this book emerged when, a few years ago, my colleagues at the State University of New York at Plattsburgh, James Armstrong and Mark Cohen, and I began developing a course on global problems. We wanted to create a course that would help students understand the major global issues that they confront in the mass media—problems such as the so-called population explosion, famine and hunger, global environmental destruction, the emergence and spread of new diseases, so-called ethnic conflict and genocides, terrorism, and social protest. We learned quickly that to make the course successful, we had to overcome the often ethnocentric perspectives of the students, perspectives that were often reinforced by media coverage of global affairs. We needed also to compensate for the students' lack of backgrounds in anthropology, history, and economics, all crucial for understanding the roots of the problems we were to examine. Finally, we needed to illustrate that the problems we examined were relevant to them, that the problems would affect them either directly or indirectly, and that their actions now or in the future would determine the extent to which the origins of these problems could be acknowledged, let alone ever addressed. The form of this book emerged from our efforts at dealing with these pedagogical issues and the classroom interactions that these efforts stimulated.

The second edition includes updated and new material on global debt, the ideology of economic development, and the nature of money, and a new concluding chapter that addresses the possible solutions to many of the issues addressed in the book.

Acknowledgments

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I owe a special debt of gratitude to Sylvia Shephard for her support of the project; to Sarah Kelbaugh, Jennifer Jacobson, and Annette Pagliaro of Allyn and Bacon for guiding the project through to its present edition; as well as to Louis C. Bruno, Jr., whose copyediting will make reading the book far easier than it would have been otherwise. And special thanks go to Amy and Rebecca, who tolerated with unusual understanding my periods of self-imposed isolation. Needless to say, the final form of the book, for better or worse, is the result of my own decisions.

I welcome from readers any comments, suggestions, or questions. I can be reached via email at richard.robbins@plattsburgh.edu or through the website devoted to the book at http://www.plattsburgh.edU/legacy/orhttp://faculty.plattsburgh.edu/richard.robbins/legacy/.

PART ONE

The Consumer, the Laborer, the Capitalist, and the Nation-State in the Society of Perpetual Growth

[What difference it would make to our understanding if we looked at the world as a whole, a totality, a system, instead of as a sum of self-contained societies and cultures; if we understood better how this totality developed over time; if we took seriously the admonition to think of human aggregates as "inextricably involved with other aggregates, near and far, in weblike, netlike, connections."

—Eric Wolf

CHAPTER

1 Capitalism and the Making of the Consumer

The consumer revolution is a strange chapter in the ethnographic history of the species. For what may have been the first time in its history, a human community willingly harbored a nonreligious agent of social change, and permitted it to transform on a continual and systematic basis virtually every feature of social life.

—Grant McCracken, *Culture and Consumption*

The... metamessage of our time is that the commodity form is natural and inescapable. Our lives can only be well lived (or lived at all) through the purchase of particular commodities. Thus our major existential interest consists of maneuvering for eligibility to buy such commodities in the market. Further, we have been taught that it is right and just—ordained by history, human nature, and God—that the means of life in all its forms be available only as commodities. Americans live in an overcommodified world, with needs that are generated in the interests of the market and that can be met only through the market.

—Stephen Fjellman, *Vinyl Leaves*

On or about December 1910, wrote novelist Virginia Woolf, human character changed.[1] On his repeated visits to the United States, Frenchman Andre Giegfried noted much the same thing: "A new society has come to life in America," he said. "It was not clear in 1901 or 1904; it was noticeable in 1914, and patent in 1919 and 1925" (cited Leach 1993:266). Samuel Strauss, a journalist and philosopher writing in the 1920s, suggested the term *consumptionism* to characterize this new way of life that, he said, created a person with

> a philosophy of life that committed human beings to the production of more and more things—"more this year than last year, more next year than this"—and that emphasized the "standard of living" above all other values.

'The quote, which has been widely used (see, e.g., Fjellman 1992:5; Lears 1983) appeared in an essay, "Mr. Bennett and Mrs. Brown," in *The Captain's Death Bed and Other Essays,* but was originally part of a paper Woolf read to the Heretics, Cambridge on May 18, 1924. "On or about December 1910 human character changed.... The change was not sudden and definite.… But a change there was nevertheless; and since on must be arbitrary, let us date it about the year 1910."

"From a moral point of view," Strauss continued,

> it is obvious that Americans have come to consider their standard of living as a somewhat sacred acquisition, which they will defend at any price. This means that they would be ready to make many an intellectual or even moral concession in order to maintain that standard, (cited Leach 1993:266)

There is no question that in America at least the half-century from 1880 to 1930 marked a major transition in the rate and level of commodity consumption—the purchase, use, and waste of what comedian George Carlin called "stuff." Food production grew by almost 40 percent from 1899 to 1905; the production of men's and women's ready-made clothing, along with the production of costume jewelry, doubled between 1890 and 1900; glassware and lamp production went from 84,000 tons in 1890 to 250,563 tons in 1914. In 1890, 32,000 pianos were sold in the United States; by 1904, the number sold increased to 374,000 (Leach 1993:16).

During this period the perfume industry became the country's tenth largest; at one department store, sale of toiletries rose from $84,000 to $522,000 between 1914 and 1926. The manufacture of clocks and watches went from 34 million to 82 million in ten years. By the late 1920s, one of every six Americans owned an automobile. All of this consumption occurred in a society in which 2 percent of the people owned 60 percent of the wealth, whereas the bottom 50 percent owned only 5 percent.

Of course these figures are dwarfed by what Americans and others around the world consume today. There are as many cars in the United States as there are persons with drivers' licenses, for example.

> World and national consumption has expanded at an unprecedented pace over the 20th century, with private and public consumption expenditures reaching $24 trillion in 1998, twice the level of 1975 and six times that of 1950. In 1900 real consumption expenditure was barely $1.5 trillion. (1998 United Nations Human Development Report)

However, although consumption rates were not nearly as high as they are today, the early twentieth century is notable because it marked the early phase of what Ernest Gellner (1983:24) called the *society of perpetual growth,* and the creation of a new type of culture, consumer capitalism (see Bodley 1985:67), along with the construction of a new type of person, the *consumer.*

The emergence of the society of perpetual growth and the culture of capitalism marked a new stage in an ongoing global historical process that began (to the extent that it can be said to have a beginning) anytime from the fifteenth to the early nineteenth centuries. The creation of the human type that characterizes this stage, the consumer, followed soon after the emergence of two other historically unique categories of human being: the *capitalist* and the *laborer.* Merchants had existed, of course, for thousands of years, and people had always labored to produce goods and, in a fashion, consume what they'd produced. But never before in history has there existed a society founded on categories of people: the *capitalist,* whose sole purpose is to invest money and accumulate profit; the *laborer,* whose sole means of support comes from the sale of his or her labor;

and the *consumer*, whose sole purpose is to purchase and consume ever increasing quantities of goods and services.

By the end of the nineteenth century, the capitalist and laborer—operating within a set of rules mediated by a new type of political entity—the nation-state—had created a revolutionary system for the production of goods that potentially contained the seeds of its own destruction. By the late 1890s, so many goods were being produced that businesspeople and government officials feared overproduction, panic, and the severe economic depression that marked that decade. Out of these fears came what William Leach called "a steady stream of enticements" designed to encourage people to consume and to awaken Americans, as Emily Fogg Mead, the mother of anthropologist Margaret Mead, said, to "the ability to want and choose" (see Leach 1993:16). The consumer was necessary to save industrial capitalism from its own efficiency.

Virtually all Americans, at some point in their lives, play the roles of consumer, laborer, or capitalist; as consumers they buy things; as laborers, they work for wages; and as capitalists they invest money in banks, insurance policies, pension plans, stocks, education, or other enterprises from which they expect to profit. What ties together these roles, and indeed the entire culture, is money. Every culture has its distinct style or elements, rituals or ritual objects, that define for its members what is most important in life. The Dogon of West Africa define their existence through art; the Balinese of Indonesia, through drama and music. The Trobriand Islanders engaged in the accumulation of yams and the ritual exchange of shell necklaces and bracelets; the ancient Aztecs of Mexico in human sacrifice. For the indigenous peoples of the American Plains, the key element of

The displays of commodities in shopping and department stores, such as Macy's in New York City, helped define the values, attitudes, and aspirations of members of the culture of capitalism.

cultural life was the buffalo. For members of the culture of capitalism the key element is money.

As Joseph Needleman (1991:40-41) wrote:

> In other times and places, not everyone has wanted money above all else; people have desired salvation, beauty, power, strength, pleasure, prosperity, explanations, food, adventure, conquest, comfort. But now and here, money—not necessarily even the things money can buy, but money—is what everyone wants. The outward expenditure of mankind's energy now takes place in and through money.... Therefore, if one wished to understand life, one must understand money in this present phase of history and civilization.

Money, as Jack Weatherford (1997:11) notes, is the focal point in the culture of capitalism.

> Money defines relationships among people, not just between customer and merchant in the marketplace or employer and laborer in the workplace. Increasingly in modern society, money defines relationships between parent and child, among friends, between politicians and constituents, among neighbors, and between clergy and parishioners. Money forms the central institutions of the modern market and economy, and around it are grouped the ancillary institutions of kinship, religion, and politics. Money is the very language of commerce for the modern world.

Consumers want to spend as much money as they can, laborers want to earn as much as possible, and capitalists want to invest it so that it can return more. There is the potential for much conflict in these arrangements. Each person, as consumer, wants to pay as little as possible for commodities; whereas the same person, as laborer, wants to earn as much as possible, thus driving up prices. The capitalist wants to pay each person, as laborer, as little as possible, but wants the person, as consumer, to earn enough to purchase the commodities from which profits accrue. Yet each role also reinforces the other: The capitalist is dependent on the laborer to perform services and produce products and on the consumer to buy them; the laborer is dependent on the capitalist for employment and wages. Furthermore, each role disciplines and drives the other: the consumer in each person, desiring to acquire commodities and the status they may convey, accumulates debt; to pay off the debts accumulated to purchase status-bearing commodities, the consumer must labor to acquire money or must, in the role of capitalist, make investments hoping for greater returns.

We can perhaps best conceptualize the working of the culture of capitalism as sets of relations between capitalists, laborers, and consumers, each depending on the other, yet each placing demands on, and often conflicting with, the others. In this cultural scheme, the nation-state serves as, among its other functions, a mediator, controlling the creation and flow of money and setting and enforcing the rules of interaction. (Figure 1.1 is a highly simplified model, but it serves to underline the key features and unique style of the culture of capitalism.)

Where did the culture of capitalism come from ? One of the assumptions of this book is that the emergence of capitalism has been misrepresented by many historians, sociologists, and anthropologists; rather than recognizing it as the emergence of a histori-

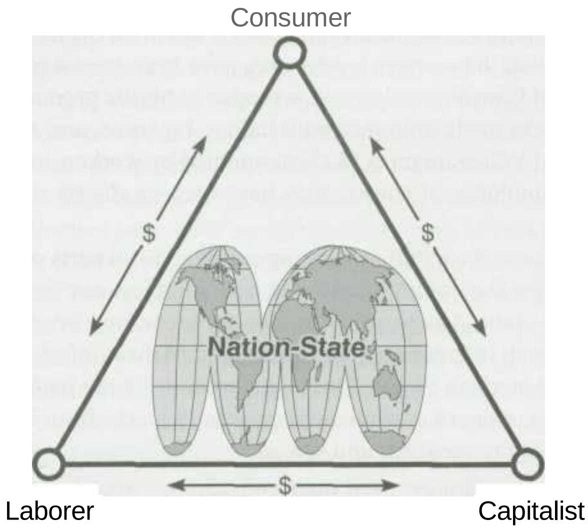


FIGURE 1.1 Patterns of Relations in the Culture of Capitalism

cally unique culture, they have generally portrayed it as an inevitable historical or evolutionary development. Capitalist culture was equated with "civilization," implying that anything different was "uncivilized." Later it was considered part of a process of "modernization," implying that anything else was "primitive" or "traditional." The emergence of the culture of capitalism, particularly in the so-called third world, was called "economic development," once again implying that anything less was "undeveloped" or "underdeveloped." However, if we look at capitalism as one cultural adaptation out of many, we will be better able to understand and judge the effects it has had on the world's peoples and see its spread not as inevitable development, growth, or modernization, but as the displacement, for better or worse, of one way of life by another. Put another way, there is not much to choosing (as we must if capitalism is equated with progress, modernity, and development) between being modern or primitive, developed or undeveloped, civilized or uncivilized; it is, however, a very different matter in choosing whether to be a member of the culture of capitalism or a Zuni, Guarani, Mohawk, Chuckchee, Nuer, or Murngin.

The emergence of the culture of capitalism has left little in our lives untouched—it has affected our material, spiritual, and intellectual life; it has reshaped our values; and, as we shall see, it has largely dictated the direction that every institution in our society would take. It has produced wave after wave of consumer goods, revolutionized food production, and prompted previously unimagined developments in technology, communications, and medicine. Most dramatically, at least from the anthropological point of view, "feeding" the consumer has required a level of global integration unmatched in human history. The clothes we wear more often than not are produced in whole or in part by people in

Malaysia, Hong Kong, or El Salvador; workers in Brazil probably cut the sugarcane that became the sugar that sweetens our soft drinks; our morning coffee began as coffee beans in the highlands of Colombia; the oranges we eat may have been grown in Spain, packed in cardboard boxes made of Canadian pulpwood, wrapped in plastic produced in New Jersey, and transported on trucks made in France with Italian, Japanese, and American parts. Our radios, televisions, and VCRs are most likely assembled by workers in Mexico, Haiti, or Indonesia; and our automobiles, of course, may have been produced at least in part in Japan, Taiwan, or Korea.

Furthermore, the culture of capitalism is being exported to all parts of the globe. Yet few people are aware of how the culture works and how it affects our lives and those of people all over the world—how American consumption, labor, and investment patterns relate to wages paid to women in Indonesia, the destruction of the rainforests in Paraguay, or the use of water on the American Plains. This is not necessarily the fault of the individual, for as we shall see, the culture of capitalism purposefully masks from its members the problems that result from its maintenance and spread.

The Focus of This Book

In July 1972, while doing research on bird evolution in New Guinea, biologist Jared Diamond strolled along a tropical beach with a local politician named Yali. Yali, who had helped his people prepare for self-government, questioned Diamond about the origins of the people of New Guinea and about the commodities that Europeans brought to New Guinea, such as steel axes, matches, clothing, and soft drinks—items that people in New Guinea referred to as "cargo." Then he posed for Diamond the key question: "Why is it," he asked, "that you White people developed so much cargo and brought it to New Guinea, but we Black people had so little cargo of our own?" (Diamond 1997:14).

Yali's question goes to the heart of the condition of the modern world: How have such inequalities of wealth evolved? Why do some have so much and others so little? How have a group of societies clustered largely, but not exclusively, in the area of northern Europe, East Asia, and North America come to dominate the societies of the rest of the world politically and economically?

This book tries to answer Yali's question while providing enough background for the reader to begin to better understand other global problems, such as population growth, world hunger, environmental destruction, disease, ethnic conflict, rebellion, and social and religious protest. Although the approach is largely anthropological, we will not hesitate to draw from other disciplines—history, sociology, geography, political science, and economics—when necessary to understand capitalism and how the culture of capitalism contributes to the global problems that we are discussing.

We can summarize our approach in this book as follows: There has emerged over the past five to six centuries a distinctive culture or way of life dominated by a belief in trade and commodity consumption as the source of well-being. This culture flowered in Western Europe, reached fruition in the United States, and spread to much of the rest of the world, creating what some anthropologists, sociologists, and historians call the *world system.* People disagree on the critical factors in the development of this system and even whether it was unique historically, although most agree on certain basic ideas. Among the most important are the assumptions that the driving force behind the spread of the contemporary world system was industrial and corporate capitalism, and that the spread of the world system is related in some way to the resulting division of the world into wealthy nations and poor nations or into wealthy core, developed, or industrialized areas and dependent peripheral, undeveloped, or nonindustrialized areas.

The spread of the capitalist world system has been accompanied by the creation of distinctive patterns of social relations, ways of viewing the world, methods of food production, distinctive diets, patterns of health and disease, relationships to the environment, and so on. However, the spread of this culture has not gone uncontested; there has been resistance in the form of direct and indirect actions—political, religious, and social protest and revolution. How and why capitalist culture developed and the reasons why some groups resisted and continue to resist its development are among the questions posed in this book.

The answers to these questions are based on specific assumptions. First, a central tenet of anthropology is that personal, social, cultural, and historical factors determine the point of view any person might have regarding a certain phenomenon. No less is true of those participating in the culture of capitalism who have created a view of global events that we share. Consequently, these views tend to be, to one extent or another, *ethnocentric;* that is, they describe, evaluate, and judge events solely from a specific cultural perspective. Among the major purposes of anthropology is to teach ways to avoid ethnocentrism and appreciate the importance of understanding the beliefs and behaviors of others from their perspectives rather than from our own, a view anthropologists refer to as *cultural relativism.* To some extent ethnocentrism is unavoidable, and the job of the person who interprets global events—whether a journalist, economist, sociologist, or anthropologist—is to make the event comprehensible to those people for whom that person is writing. Our assumption is that to minimize cultural bias we must recognize that our views of events are partially influenced by our culture and, for that reason, we must make our own culture an object of analysis.

Second, we assume that an understanding of global events requires us to recognize that no contemporary culture or society exists independent of what anthropologists refer to as the *world system,* and that each falls within either the core or the periphery of that system. Using this terminology to refer to different parts of the world permits us to avoid the more value-laden distinctions implicit in the use of terms such as *developed* or *undeveloped, modem* or *traditional, first, second,* or *third world.* World system theorists often include a third category, *semiperiphery,* to denote those nation-states or regions that are moving toward the core or that have moved out of the core. These distinctions recognize that countries can move from one category to another. For example, the three nation-states that world system theorists consider to have been dominant in the past four centuries—the Netherlands, the United Kingdom, and the United States—all began as semiperipheral to the world system.

Third, we assume that global events and actions cannot be adequately understood without considering the events that preceded them; we must develop a historical perspective. For example, we live in a period of human history largely defined by a sequence of events that began some four to five hundred years ago, loosely termed the *industrial revolution.* Because each of us has lived during only a particular phase of that history, we tend to take it for granted that the world has always been as it is today. Yet the modern industrial world order is, in historical terms, a very recent event. We are deceived by our biology, by our limited **life** span, into thinking of sixty, seventy, or eighty years as a long time, but in the perspective of human history it is a fleeting moment. Human beings have for most of their existence lived as bands of gatherers and hunters, for a shorter time as agriculturists and farmers, and only recently as industrialists and wage laborers. Yet the industrial revolution has transformed the world and human societies as has no other event in history. We cannot understand the events, issues, and problems of today's world without understanding the how's and why's of the industrial revolution.

It will be clear that the emergence of capitalism represents a culture that is in many ways the most successful that has ever been developed in terms of accommodating large numbers of individuals in relative and absolute comfort and luxury. It has not been as successful, however, in integrating all in equal measure, and its failure here remains one of its major problems. It has solved the problems of feeding large numbers of people (although certainly not all), and it has provided unprecedented advances in health and medicine (but, again, not for all). It has promoted the development of amazingly complex technological instruments and fostered a level of global communication without precedent. It has united people in common pursuits as has no other culture has. Yet it remains to be seen when the balance sheet is tallied whether capitalism represents the epitome of "progress" that some claim.

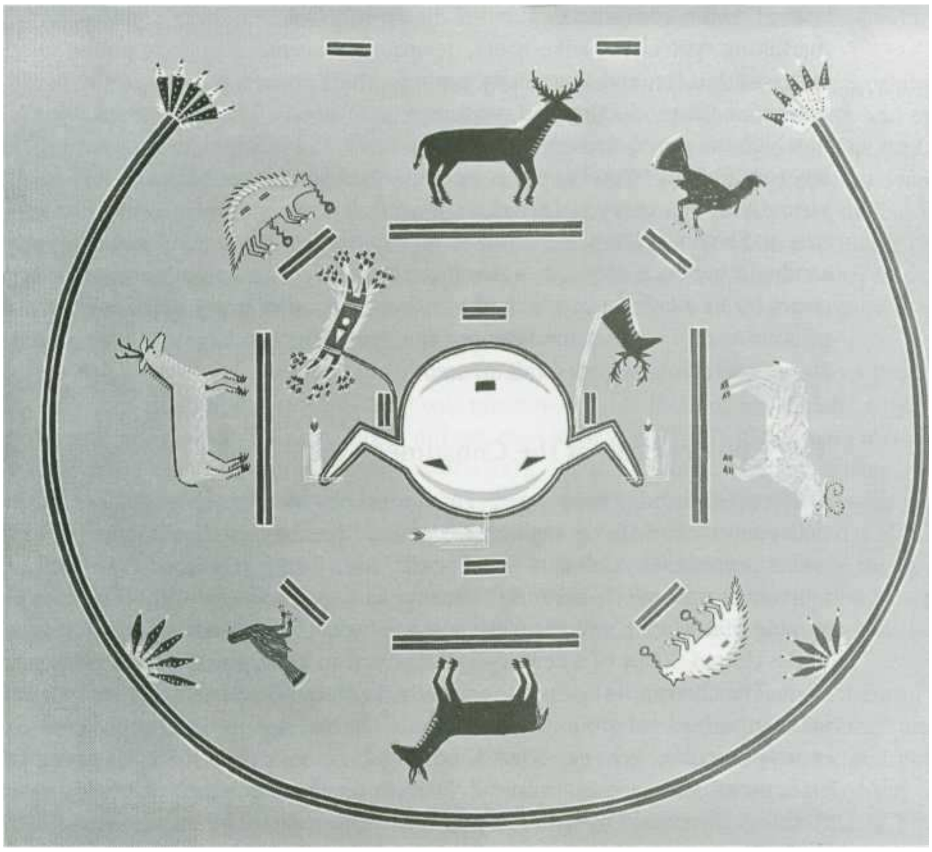
Culture and the Construction of the Consumer

The culture of capitalism is devoted to encouraging the production and sale of commodities. For capitalists, the culture encourages the accumulation of profit; for laborers, it encourages the accumulation of wages; for consumers, it encourages the accumulation of goods. In other words, capitalism defines sets of people who, behaving according to a set of learned rules, act as they must act.

There is nothing natural about this behavior. People are not naturally driven to accumulate wealth. There are societies in which such accumulation is discouraged. Human beings do not have an innate drive to accumulate commodities; again, there are plenty of societies in which such accumulation is discouraged. People are not driven to work; in fact, contrary to popular notions, members of capitalist culture work far more than, say, people who live by gathering and hunting (see, e.g., Shor 1993). *How does culture, as anthropologists use the term, encourage people to behave in some ways and not in others ? Specifically, how does the culture of capitalism encourage the accumulation of profit, wages, and commodities? How does it, in effect, encourage perpetual growth and what amounts to perpetual change ?*

It is not easy to describe the effects of culture on people's lives; anthropologists have noted that culture consists of all learned beliefs and behaviors, the rules by which we order our lives, and the meanings that human beings construct to interpret their universes and their places in them. Yet, using these abstract descriptions, it is difficult to understand how pervasive our culture can be in determining our view of the world. It may help, therefore, to provide a metaphor for culture in the form of a belief and practice of another culture: the sandpaintings of the Navajo of the American Southwest.

Among the Navajo people, there is a healing practice in which a curer draws on the ground a miniature representation of the universe, using colored sand, cornmeal, or other bits of material. Although there are perhaps a thousand versions of these drawings, each contains vital elements of what, for the Navajo, defines the general conditions of existence. Navajo conceptions of space are indicated by symbols of the world's directions; conceptions of social life are indicated by the distribution of Navajo houses *(hogans)* and mythic beings; values are represented in the stories and chants associated with each sandpainting; material items critical to Navajo existence (e.g., horses or ritual items) are also portrayed. Once the work is completed, the patient sits on or in the sandpainting, and a curing ceremony, accompanied by chanting and prayer, proceeds. Illness, the Navajo claim, is the result of persons' losing their proper places in the world; the aim of the ceremony is to restore the patient to that place. When the ceremony is completed and harmony restored, the sandpainter destroys the painting.



Navajo sandpaintings serve as therapeutic stages on which a person's place in the universe is defined and ritually enacted.

Navajo sandpainting contains all the elements of what anthropologists often mean by the term culture. Like the sandpainting, a culture serves to define the universe as it is supposed to exist for a people. The sandpainting contains the key elements and symbols that people use to locate themselves in physical and social space. It affirms the place of the person in the created world and the values that govern people's lives. Like the sandpainting, particular cultural representations serve as therapeutic frames that communicate to us who and what we are and how we figure in the larger order of things. These representations are therapeutic because they help people resolve the contradictions and ambiguities that are inherent in any cultural definition of reality and self.

Furthermore, every society has its sandpainters, those individuals who are given or who take responsibility for representing the universe to others and who have the power to define those elements that are essential for others in locating and defining their identities. In some societies, as among the Navajo, it is the curer, shaman, mythmaker, or storyteller; in others, it is the priest, poet, writer, artist, singer, or dancer. In capitalism, the sandpainter works in churches, synagogues, or mosques, and in theaters, in front of television sets, at sporting events, or in the shopping malls that reaffirm the vision of abundance central to the consumers' view of the world. Contemporary sandpainters, who include marketing specialists, advertisers, government agents, corporate public relations specialists, entertainers, and journalists, among others, create a vision of the world designed to maximize the production and consumption of goods. They have helped to create a culture in which the prime elements are commodities, and in which the consumer's first duty is to buy (or "Shop till You Drop," as a popular bumper sticker advises). It is a culture in which virtually all our everyday activities—work, leisure, the fulfillment of social responsibilities, and so on—take place in the context of commodities, and in which shopping, like the sandpainting cure, serves as a therapeutic activity. These contemporary sandpainters construct for us a culture in which at one time or another every individual enacts the identity of consumer. The question we need to explore first is, *how was the universe of the consumer and the consumer itself created?*

The Construction of the Consumer

The consumer did not, of course, appear full blown in the United States of the early twentieth century. Even in the eighteenth century, merchants in Great Britain, France, and elsewhere were concerned that more goods were being produced than could be sold. But merchants generally paid little attention to how goods were marketed or presented, assuming that when people needed their products, they would buy them. It was this attitude in the United States of a century ago that was to undergo a profound change.

The change did not occur naturally. In fact, the culture of nineteenth-century America emphasized not unlimited consumption but moderation and self-denial. People, workers in particular, were expected to be frugal and save their money; spending, particularly on luxuries, was seen as "wasteful." People purchased only necessities—basic foodstuffs, clothing, household utensils, and appliances—or shared basic items when they could. If we look at a typical inventory of the possessions of an American family of 1870-1880, we find a pattern very different from that of today. In 1870, 53 percent of the population lived and worked on farms and produced much of what they consumed. One Vermont farm wife recorded making 421 pies, 152 cakes, 2,140 doughnuts, and 1,038 loaves of bread in one year (Sutherland 1989:71). Household items were relatively simple—a dinner table, wooden chairs, beds, perhaps a carpet or rug. There were few appliances to aid housework—cookstoves, eggbeaters, apple-parers, pea-shellers, and coffee mills, but most other housework required muscle; even hand-cranked washing machines were not available until the late 1870s. Although only the poorest or most isolated families did not buy some ready-made clothing, most of the items people wore were made at home and were largely functional. Furthermore, because the vast majority of American families lived on farms, most of the family capital was invested in farming tools and implements. There were, of course, exceptions. The wealthy members of society competed with each other in the ostentatious display of wealth and luxury, as they had for centuries. But they represented a small percentage of the population.

Of course, Americans did not yet have electricity, the automobile had yet to be invented, and the money supply was far more limited than it is today. Nevertheless, to transform buying habits, luxuries had to be transformed into necessities. In America, this was accomplished largely in three ways: a revolution in marketing and advertising, a restructuring of major societal institutions, and a revolution in spiritual and intellectual values.

Marketing and Advertising. First, there was a major transformation of the meaning of goods and how they were presented and displayed. For most of the eighteenth and nineteenth centuries, retailers paid little attention to how goods were displayed. The first department store—Bon Marche—opened in Paris in 1852, allowing people to wander through the store with no expectations that they make a purchase. Enterprises such as Bon Marche were devoted to "the arousal of free-floating desire," as Rosalind Williams put it (cited McCracken 1988:25). The displays of commodities helped define bourgeois culture, converting the culture, values, attitudes, and aspirations of the bourgeoisie into goods, thus shaping and transforming them (Miller 1994).

But Bon Marche was an exception. In stores in the United States, most products were displayed in bulk, and little care was taken to arrange them in any special way. Prepackaged items with company labels did not even exist until the 1870s, when Ivory Soap and Quaker Oats appeared (Carrier 1995:102). Shop windows, if they existed, were simply filled with items that had been languishing in back rooms or warehouses for years. Even the few large department stores of the mid-nineteenth-century, such as that of Alexander Turney Stewart, the Marble Palace in New York, paid little attention to display. It was not until the 1890s and the emergence of the department store in the United States as a major retail establishment that retailers began to pay attention to how products were presented to the public.

The department store evolved into a place to display goods as objects in themselves. When Marshall Field's opened in Chicago in 1902, six string orchestras filled the various floors with music and American Beauty roses along with other cut flowers and potted palms bedecked all the counters. Nothing was permitted to be sold on the first day, and merchants in the district closed so that their employees could visit Field's. Later, elaborate theatrical productions were put on in the stores, artworks were displayed, and some of the most creative minds in America designed displays that were intended to present goods in ways that inspired people to buy them. The department store became a cultural primer telling people how they should dress, furnish their homes, and spend their leisure time (Leach 1993).

Advertising was another revolutionary development that influenced the creation of the consumer. The goal of advertisers was to aggressively shape consumer desires and create value in commodities by imbuing them with the power to transform the consumer into a more desirable person. Before the late 1880s, advertising was looked down on and associated with P. T. Barnum-style hokum. In 1880, only $30 million was invested in advertising in the United States; by 1910, new businesses, such as oil, food, electricity, and rubber, were spending $600 million, or 4 percent of the national income, on advertising. By 1998, the amount spent globally on advertising reached $437 billion, a figure that rivals the $778 billion spent on weapons.

By the early twentieth century, national advertising campaigns were being initiated and celebrities were being hired to offer testimonials to their favorite commodities. Advertising cards, catalogs, and newspaper ads became a regular feature of American life. Outdoor advertising—billboards, signs, and posters—appeared everywhere. Electrical advertising—neon and flashing signs—were marketed, and Broadway became famous as the "Great White Way." Today, advertising plays such a ubiquitous part in our lives that we scarcely notice it, even when it is engraved or embroidered on our clothing.

Another boon to merchandising was the idea of fashion: the stirring up of anxiety and restlessness over the possession of things that were not "new" or "up-to-date." Fashion pressured people to buy not out of need but for style—from a desire to conform to what others defined as "fashionable."

It is hardly surprising then that the garment industry in America led the way in the creation of fashion; its growth in the early 1900s was two or three times as great as any other industry. By 1915, it ranked only behind steel and oil in the United States. Fashion output in 1915 was in excess of one billion dollars; in New York alone, 15,000 establishments made women's clothes. New fashion magazines—*Vogue, Cosmopolitan,* and *The Delineator*—set fashion standards and defined what the socially conscious woman should wear, often using royalty, the wealthy, and celebrities as models. The fashion show was introduced in the United States by Ehrich Brothers in New York City in 1903; by 1915, it was an event in virtually every U.S. city and town. Relying on this popularity, the first modeling agency was founded in New York by John Powers in 1923 (Leach 1993:309). The entertainment industry contributed by making its own major fashion statements, as American women of 1920s sought to imitate stars such as Clara Bow.

Another addition to the marketing strategy was service, which included not only consumer credit (charge accounts and installment buying) but also a workforce to fawn over customers. Customers became guests.

William Leach suggested that service may have been one of the most important features of the new consumer society. It helped, he said, mask the inequality, poverty, and labor conflicts that were very much a part of the United States at this point in its history. If one wanted to understand how consumer society developed, Leach said, one could look at the rise of service. As economic inequality rose in America, and as labor conflict increased, Americans associated service with the "promise of America." Service conveyed to people the idea that everything was all right, that they had nothing to worry about, and that security and service awaited them. Service expressed what economists then and now would refer to as:

> the "benevolent side" of capitalism, that is, the side of capitalism that gave to people in exchange for a dependable flow of profits—a better, more comfortable way of life. In this view, capitalism did not merely "strive for profits" but also sought "the satisfaction of the needs of others, by performing service efficiently." "Capital," said one turn-of-the-century economist, "reigns because it serves." (Leach 1993:146-147)

The Transformation of Institutions. The second way in which American buying habits were changed was through a transformation of the major institutions of American society, each redefining its function to include the promotion of consumption. Educational and cultural institutions, governmental agencies, financial institutions, and even the family itself changed their meaning and function to promote the consumption of commodities.

Before 1900, the contributions of universities to the capitalist economy largely dealt with how to "make" things, that is, with the production of commodities. Virtually no attention was paid to selling or keeping track of what was sold. For example, there was no systematic examination of mass retailing, credit systems, or banking offered by America's schools or universities. In the twentieth century, however, that began to change. For example, in New York City there was the good-design or arts-in-industry movement; schools such as the Pratt Institute and the New York School of Fine and Applied Arts (now Parsons School of Design) developed and began to prepare students to work in the emerging sales and design industries and in the large department stores. The University of Pennsylvania's Wharton School for Business and the Harvard School for Business introduced programs in accounting (virtually nonexistent before then), marketing, and sales. In 1919, New York University's School of Retailing opened; in the mid-1920s, Harvard and Stanford established graduate business schools as did such schools as Northwestern, Michigan, California, and Wisconsin soon after. Today, there are virtually no 2-year or 4-year colleges that do not offer some sort of business curriculum.

Museums also redefined their missions to accommodate the growth of the consumer culture. The American Museum of Natural History and the Metropolitan Museum of Art in Manhattan, the Brooklyn Museum, and the Newark Museum, all heavily endowed by wealthy patrons such as J. P. Morgan, began to make alliances with business. Curators lectured to designers on Peruvian textiles or primitive decorative art. The head of the American Museum of Natural History, Morris D'Camp Crawford, assisted by the head of the anthropology department, Clark Wissler, urged businesspeople and designers to visit the museum. Special exhibits on the history of fashion and clothing were arranged, and Wissler even borrowed the window display techniques of New York department stores for his exhibits (as window display designers had borrowed the idea of the mannequin from anthropologist Franz Boas's display of foreign cultures at the 1893 World's Columbian Exposition in Chicago). The editor of *Women's Wear* magazine praised the museum for being "the most progressive force in the development of the designer" (Leach 1993:166).

The second set of institutions to aid in the development of consumer culture were agencies of the local and federal governments. The state, as an entity, had long taken a lively interest in commerce within its borders (as we'll see when we examine the history of global capitalist expansion in Chapter 3). But prior to the twentieth century, the state's concerns focused largely on the manufacture of commodities, the organization of business, the control of labor, and the movement of goods. It wasn't until the twentieth century that state agencies began to concern themselves with the consumption end of the business cycle. In fact, it may not be an exaggeration to say that the government did more to create the consumer than did any other institution.

Nothing better represents the increasing role of the federal government in the promotion of consumption than the growth of the Commerce Department under Herbert Hoover, who served as its head from 1921 until his election as president in 1928. When the Commerce Building opened in Washington in 1932, it was the biggest office structure in the world (and was not surpassed in size until the Pentagon was built a decade later). At the time, it brought together in one building virtually all the government departments that had anything to do with business, from the Patent Office to the Bureau of Foreign and Domestic Commerce (BFDC), then the most important agency of the department. From 1921 to 1930, the congressional appropriation for the BFDC rose from $100,000 to more than $8 million, an increase of 8,000 percent. The number of BFDC staff increased from 100 to 2,500.

Hoover clearly intended the Department of Commerce to serve as the handmaiden of American business, and its main goal was to help encourage the consumption of commodities. For example, between 1926 and 1928 the BDFC, under Hoover's direction, initiated the Census of Distribution (or "Census of Consumption," as it was sometimes called) to be carried out every ten years. (It was unique at that time; Britain and other countries did not initiate government-sponsored consumer research until the 1950s). It detailed where the consumers were and what quantities of goods they would consume; it pointed out areas where goods were "overdeveloped" and which goods were best carried by which stores. The Commerce Department endorsed retail and cooperative advertising and advised merchants on service devices, fashion, style, and display methods of all kinds. The agency advised retail establishments on the best ways to deliver goods to consumers, redevelop streets, build parking lots and underground transportation systems to attract consumers, use colored lights, and display merchandise in "tempting ways." The goal was to break down "all barriers between the consumers and commodities" (Leach 1993:366).

Hoover also emphasized individual home ownership. In his memoirs he wrote that "a primary right of every American family is the right to build a new house of its heart's desire at least once. Moreover, there is the instinct to own one's own house with one's own arrangement of gadgets, rooms, and surroundings" (cited Nash 1988:7). The Commerce Department flooded the country with public relations materials on "homebuying" ideas, producing a leaflet entitled *Own Your Own Home,* along with a film, *Home Sweet Home.* They advocated single-dwelling homes over multiunit dwellings and suburban over urban housing. The leaflet recommended a separate bedroom for each child, saying it was "undesirable for two children to occupy the same bed—whatever their age." Regardless of the reasons for these recommendations, the materials produced by the Commerce Department all promoted maximum consumption. Thus, the government responded, as much as did educational institutions, to the need to promote the consumption of commodities.

Another step in creating a consumer economy was to give the worker more buying power. The advantage of this from an economic perspective is not easy to see. From the point of view of an industrialist or an employer, the ideal situation would be to pay as low a wage as possible to keep production costs down and increase profits. However, each producer of goods would prefer other producers to pay high wages, which would allow the other producers' workers to buy more products. The ideas that higher wages would serve as an incentive for laborers to work harder or that higher wages might allow the worker to become a consumer, occurred relatively late to factory owners and investors. The working class, they assumed, would work only as hard as they needed to get their basic subsistence, and to pay them more would only result in their working less. And when an occasional economic boom gave workers the spending power to consume at a higher level, the middle and upper classes would condemn them for their lack of thrift.

The economic power derived from turning workers into consumers was realized almost by accident. As industry attempted to increase efficiency, it developed new methods. Henry Ford introduced the assembly line, one of the apparently great innovations, to the manufacturing of automobiles. Workers occupied positions on the line from which they did not move ("Walking," Ford said, "is not a remunerative activity") and from which they would perform a single task. It was a process that required almost no training and that "the most stupid man could learn within two days," as Ford said. In essence, each worker had to repeat the same motion every ten seconds in a nine-hour workday.

Workers resisted this mind-numbing process. When Ford introduced his assembly line, absenteeism increased and worker turnover was enormous. In 1913, Ford required 13,000-14,000 workers to operate his plant, and in that year 50,000 quit. But Ford solved the problem: He raised wages from the industry standard of $2-3 per day to $5, and he reduced the working day to eight hours. Soon labor turnover fell to 5 percent, and waiting lines appeared at Ford hiring offices. Furthermore, production costs for Ford's Model-T fell from $1,950 to $290, reducing the price to consumers. Most importantly, the rise in wages made Ford workers consumers of Ford automobiles, and, as other manufacturers followed suit, the automobile industry grew. By 1929, there were 23 million automobiles in the United States; by 1950 there were over 40 million. Today, including light trucks, there are 1.3 cars for every individual.

In addition to the money coming from higher wages, buying power was increased by the expansion of credit. Credit, of course, is essential for economic growth and consumerism because it means that people, corporations, and governments can purchase goods and services with only a promise to pay for them at some future date. Furthermore, whenever credit is extended—whether it be by a store, a bank, a corporation, a person, or a government—in effect, money has been created, and more buying power has been introduced into the economy. Buying things on credit—that is, going into debt—has not always been acceptable in the United States. It was highly frowned upon in the nineteenth century. It was not fully socially acceptable until the 1920s (Calder 1999), at which time it promoted the boom in both automobile and home buying.

The increased ease of obtaining home mortgages was a key to the home building boom of the 1940s, 1950s, and 1960s, a boom that in turn fueled subsidiary industries—appliances, home furnishings, and road construction. Home mortgages had the further function of disciplining the workforce by forcing it to work to make credit payments. At the same time, homeowners gained a capital asset that served as a hedge against inflation. Automobile loans also added to consumer debt and, similarly, fueled subsidiary economic growth—malls, highways, vacation travel, and so on. Credit cards gave holders a revolving line of credit with which to finance purchases. In 1997, U.S. household debt reached

5.5 trillion dollars, while 20 percent of American households have more debt than assets, or 40 percent when real estate is factored out. This debt represents enormous confidence in the future of the economy because this money does not exist. Lenders in our economy simply assume that the money will exist when it comes time for people to repay their debts.

None of this would have been possible without a government financial policy that put limits on interest rates ("usury ceilings"), passed "truth-in-lending" laws, made it easier for certain groups (women and minorities) to borrow, and offered subsidized student loans. Thus, credit increased consumer debt while creating a "mass market" for consumer goods, which served further to stimulate economic growth (see Guttman 1994).

In addition to changes in the way workers were viewed and the expansion of credit, there had to be a change in the way retail establishments were organized. The emergence of the consumer was accompanied by an enormous growth in retail chain stores. Up until this point, distribution of goods was primarily controlled by small stores or large family-owned department stores. The 1920s saw the rise of the large retail conglomerates. In 1886, only two chains operated more than five stores; in 1912, 177 companies operated 2,235 stores; by 1929, nearly 1,500 companies were doing business in 70,000 outlets.

The Transformation of Spiritual and Intellectual Values. Finally, in addition to changing marketing techniques and modified societal institutions that stimulated consumption, there had to be a change in spiritual and intellectual values from an emphasis on such values as thrift, modesty, and moderation toward a value system that encouraged spending and ostentatious display. T. J. Jackson Lears argued that, from 1880 to 1930, the United States underwent a transformation of values from those that emphasized frugality and self-denial to those that sanctioned periodic leisure, compulsive spending, and individual fulfillment (Lears 1983). This shift in values, said Lears, was facilitated in American life by a new therapeutic ethos, an emphasis on physical and psychological health. This shift was promoted in part by the growth of the health professions and the popularity of psychology, along with the increasing autonomy and alienation felt by individuals as America ceased being a land of small towns and became increasingly urban. Advertisers capitalized on these changes by altering the way products were advertised; rather than emphasizing the nature of the product itself, they began to emphasize the alleged effects of the product and its promise of a richer, fuller life. Instead of just being good soap, shoes, or deodorant, a product would contribute to the buyer's psychological, physical, or social well-being (Lears 1983:19).

Clothing, perfumes, deodorant, and so on would provide the means of achieving love; alcoholic beverages would provide the route to friendship; the proper automobile tires or insurance policy would provide the means of meeting family responsibilities. Commodities would be the source of satisfaction and a vital means of self-expression. Ponder, for example, the following description by a 40-year-old man of the relationship between himself and his expensive Porsche:

> Sometimes I test myself. We have an ancient, battered Peugeot, and I drive it for a week. It rarely breaks, and it gets great mileage. But when I pull up next to a beautiful woman, I am still the geek with glasses. Then I get back into my Porsche. It roars and tugs to get moving. It accelerates even going uphill at 80. It leadeth trashy women...to make pouting

> looks at me at stoplights. It makes me feel like a tomcat on the prowl.... Nothing in my life compares—except driving along Sunset at night in the 928, with the sodium vapor lamps reflecting off the wine-red finish, with the air inside reeking of tan glove-leather upholstery and the...Blaupunkt playing the Shirelles so loud that it makes my hairs vibrate. And with the girls I will never see again pulling up next to me, giving the car a once-over and looking at me as if I was a cool guy, not worried, instead of a 40-year-old schnook writer, (cited Belk 1988:148)

In the late nineteenth-century, a series of religious movements emerged that became known as *mind cure religions.* Henry James, in his classic 1902 book, *Varieties of Religious Experience,* drew attention to the mind cure movements, although he was not the first to use the term. These movements—New Thought, Unity, Christian Science, and Theosophy, among others—maintained that people could simply, by an act of will and conviction, cure their own illnesses and create heaven on earth. These movements were, as William Leach (1993:225) phrased it, "wish-oriented, optimistic, sunny, the epitome of cheer and self-confidence, and completely lacking in anything resembling a tragic view of life." There was no sin, no evil, no darkness, only, as one mind curer said, "the sunlight of health."

These movements held that salvation would occur in this life and not in the afterlife. Mind cure dismissed the ideas of sin and guilt. God became a divine force, a healing power. Proponents argued that Americans should banish ideas of duty and self-denial. As one early twentieth-century advocate said,

> If you want to get the most out of life, just make up your mind that you were made to be happy, that you are a happiness machine, as well as a work machine. Cut off the past, and do not touch the morrow until it comes, but extract every possibility from the present. Think positive, creative, happy thoughts, and your harvest of good things will be abundant, (cited Leach 1993:229)

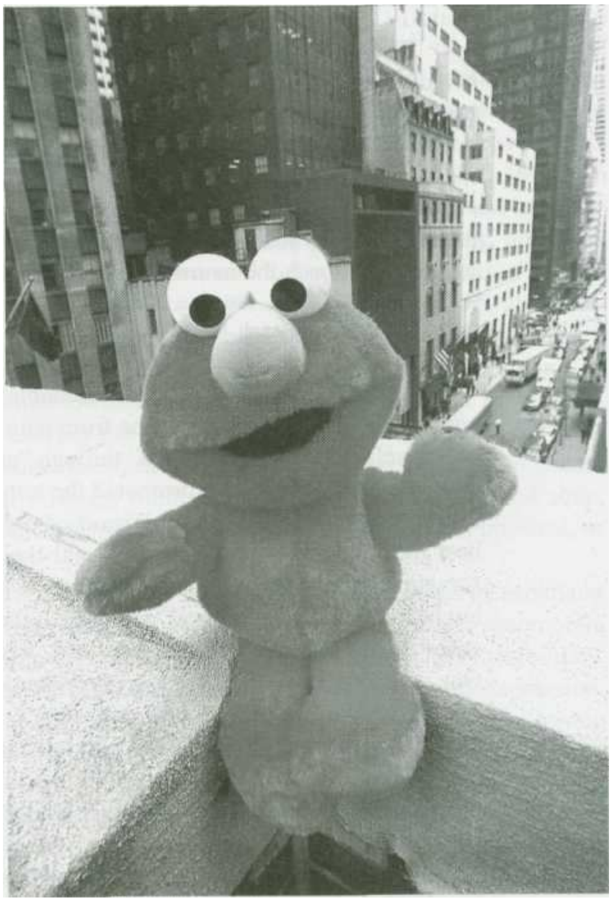
These new religions made fashionable the idea that, in the world of goods, men and women could find a paradise free from pain and suffering; they could find, as one historian of religion put it, the "good" through "goods."

Popular culture also promoted the mind cure ideology. As examples, there were L. Frank Baum's *The Wonderful Wizard of Oz,* which Leach characterized as "perhaps the best mind cure text ever written," and the Billikens doll, a squat Buddha-like figure, sometimes male and sometimes female, which represented the "god of things as they ought to be." Its success was without parallel in the toy trade and helped incite the doll craze in America. Billikens, it was said, would drive away petty annoyances and cares. One contemporary put it this way: "An atmosphere of gorged content pervades Billikens. No one can look at him [or her] and worry."

The popularity of the Billikens doll signaled change in spiritual values: it was now permissible to seek self-fulfillment in this life and find elements of satisfaction in manufactured commodities. The world was a good place: There was no misery; poverty, injustice, and inequities were only in the mind. There was enough for everyone.

These changes were not unique to America. Many of the same changes occurred in other nations, most notably Great Britain, Germany, and France (Carrier 1995). The consumer revolution of the early twentieth century was not the first of its kind either; but it happened with the most intensity and rapidity in America.

Thus by the 1930s, the consumer was well entrenched in the United States, complete with a spiritual framework and an intellectual rationalization that glorified the continued consumption of commodities as personally fulfilling and economically desirable and a moral imperative that would end poverty and injustice. The creation of the consumer did not stop in 1930. Since that time, the institutions of our society, particularly those of corporate America, have become increasingly more adept at creating sandpaintings in which people inhabit worlds whose very nature requires the continuous consumption of goods. Furthermore, our culture has become skilled at hiding the negative consequences of our patterns of behavior, consequences such as labor exploitation, environmental damage, poverty, and growing inequities in the distribution of wealth. The ways through which the consequences of our patterns of consumption, labor, and capital accumulation are hidden from us are perhaps best illustrated by the appropriation of childhood in the service of commodity consumption. An investigation of this arrogation



Tickle Me Elmo is a direct descendant of the Billikens Doll, a figure designed to drive away worries and cares and convey to people that the world was a good place with plenty for everyone.

will not only help us understand how culture functions to define our universe and our place in it but also will reveal how power in the culture of capitalism can be used to mask from us some of the consequences of our own culturally defined modes of behavior.

Kinderculture in America: The Child as Consumer

The Role of Children in Capitalism

Anthropology teaches us that, much like the rest of our culture, childhood is socially created. That is, childhood and the ways that it is defined vary from society to society and from era to era. Childhood in nineteenth-century America was very different from what it is today. Prior to the nineteenth century, the major role of children in a capitalist economy was as workers (Lasch 1977:14ff). There were few industries that did not employ children at some level, and there were few families whose children did not contribute economically through either farm or factory labor. In twentieth-century America, this began to change. Social movements that for decades worked to restrict child labor finally convinced state and federal legislatures to pass laws making child labor illegal. These developments signaled a transformation of children from workers to consumers. Although this may not have been the intent of the reformers, children were to contribute far more to the national economy as consumers than they ever did as laborers.

It wasn't until the beginning of the twentieth century that retailers began to target children as a discrete group of consumers. As late as 1890, there was not a children's market worth considering; children ate, wore, and played with what their parents made for them. Germany was by far the largest producer of children's toys, and there were few, if any, factories in the United States producing children's clothing. Nor was there any market for infants' or children's foods. Yet by 1915, the baby clothing industry was one of the largest in the United States, with seventy-five factories operating in New York state alone. Toy production increased by 1,300 percent between 1905 and 1920. One reason was the destruction of the German toy industry during World War I. Another was the development of new toys in the United States that became international sensations, such as the racist Alabama Coon Jigger, a laughing, prancing, mechanical Negro male. But, most importantly, retailers were beginning to appreciate the profits that could be made from children's commodities.

Retailers also began to take note of psychologists' discovery of the "natural desire" of "little people" for goods and toys, heeding the psychologists' advice that "every attention shown the child binds the mother to the store," or the observation that if they cultivated consumers "as kids [they would] have them as customers for a lifetime." Santa Claus became one of the major vehicles for selling toys; his commercialization hit its peak in the 1920s.

Child psychologists and home economists also advised parents that children needed toys for exercise and toys to relax; children, they said, should have their own playrooms. These same experts lectured at department stores, advising parents of the educational values of toys. With this new emphasis on the child as consumer, by 1926, America had become the greatest producer of toys and playthings in the world. There were toys for the