

Consumer Capitalism Meets Inquiry

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INTRODUCTION

We, in the educational community, would be remiss if we did not arm our students with the reflective tools to handle pervasive influences in our society that are detrimental to their long-term well-being. Such a determining yet invisible force is *Consumer Capitalism* (CC). That it is invisible and hence particularly pernicious, is a function of the fact that it is so pervasive. If we lived in an all-blue world, we would not recognize that we were surrounded and hence influenced by the colour blue. In this paper, then, it will be assumed that any serious inquiry requires an alternative from which to examine the issue in question; that if we want to analyze whether or not it is a good thing to live in an all-blue world, we would have to be able to at least imagine what it would be like to live in, say, a yellow world. Thus, in what is to follow, I will briefly describe the basic dynamics of capitalism and some of its most pernicious dangers and then go on to describe a potential alternative to CC, known as *Natural Capitalism* (NC). It is important to keep in mind that I am not, here, making a case for NC per se, any more than I would be making a case for yellow if I wanted to encourage an examination of the potential dangers of living in an all-blue world. What I am arguing is that in order to examine the forces of capitalism, and in order to avoid a straw person argument, it is imperative that we not only outline the perils of consumerist forces, but also that we construct an alternative that is at least not implausible so that we can examine from without what it is like to live within. After briefly outlining these two positions, I will then go on to sketch how one might construct a community of philosophical inquiry (CPI) with regard to these two positions, with the goal being that students will begin to acquire the tools to be more reflective of the consumer forces that impinge upon them and which potentially rob them of their capacity for self-legislation.

So let us begin:

THE INDIVIDUAL AMIDST CONSUMER CAPITALIST FORCES

A consumer capitalist system is, by necessity, compelled to stimulate consumption to achieve desired growth outcomes. Capitalism generally is committed to the premise that there must be continual growth of the economy; in contrast to, for instance, a steady-state economy of the sort envisaged by John Stuart Mill. CC, though, differs from the *Industrial Capitalism* that characterized pre-war Western economies. In a capitalist state that is investing its capital to build its productive capacity, growth is achieved by the resulting productive efficiencies and the consequent trade advantages. But once a mature state of industrial development has been reached, the extraction of further efficiencies becomes increasingly expensive, insufficient to deliver the required economic growth.¹ At this point, further growth requires the stimulation of domestic consumption and this is

the transition to CC. The important point to emphasize is that capitalism is an historical artefact, a human invention of relatively recent origin, ostensibly designed to benefit us all.² It has been continually adapted as circumstances have changed, but thus far all adaptation has been in the service of enhancing profit exclusively. Thus, if we, as citizens, decide that CC is no longer maximally beneficial, it can be altered again under motives other than mere profit maximization, if we can find the will to do so.

Now, consider how CC seeks to meet its growth objectives. Clearly, advertising plays a crucial role. The official narrative is that advertising merely informs brand choice for individuals who have already made the decision to buy. In no way does it compel or even encourage consumption. But everyone knows this is facetious, and at least two models have emerged that purport to explain the real role of advertising in a consumer society. One model holds that advertising, as a discipline, is in the business of finding the hidden psychological levers that compel consumption. The other narrative argues that we willingly submit to the lure of the pretty baubles dangled before us to fill a void in our otherwise meaningless lives. According to the former view, the “Madmen” of Wall Street have succeeded at transcending our conscious awareness of the tactics they employ: our consumption is both compulsive and subconscious. However, upon reflection, this seems absurd: if compulsion were that easy to achieve, free will would be meaningless. The latter suggests we are willing participants in a system that is transparently obvious, but this fails to comport with our experience. The feeling of living meaningless lives is hardly universal. In fact, the truth is far subtler than either of these models would suggest. What the mandarins of Wall Street have discovered is the power of ideology – an ideology that defines one’s identity and self-worth in terms of one’s possessions.³

Thus, the crucial claim is that CC plays a significant role in shaping our identities, how we conceive of ourselves and of our relation to others. Moreover, the narrative about identity and self-worth in CC is fundamentally at odds with personal autonomy and democratic citizenship, particularly in a multicultural society. To the best of my knowledge, C. B. Macpherson was the first to explore this conception of the self in 1962 in a book titled, *Possessive Individualism*. My own focus here is on an ideology that combines Locke’s theory of private property with Smith’s theory of the laissez faire market, and Utilitarian moral theory.⁴ A central plank of the laissez faire market is that, under appropriate conditions (i.e., there is no coercion, no fraud, and no relevant information is withheld) individuals are left maximally free to pursue their preferences. This is all that personal autonomy is conceived to consist of on this view. It is impossible under this ideology to categorize preferences as immoral, or perverse, or otherwise. Where there is an unmet demand, the self-interest of market participants will motivate someone to exploit that niche. Under these conditions of *market freedom*, every deal that is concluded must reflect the preferences of the participants *and that is all that matters*. It is a kind of *Preference Utilitarianism*: the best situation is the one that maximizes preferences for as many individuals as possible. Any attempts to limit this are, *prima facie*, limits on personal freedom. And happily we needn’t concern ourselves with the naked self-interest of market transactions, for we are assured that under conditions of maximal freedom, perfect competition will have the effect, as though guided by an invisible hand, of maximizing social welfare.

So under this conception, we are conceived as bare repositories of wants, and autonomy consists of nothing more than pursuing these wants self-interestedly in the market. Now as such bare

repositories of wants, we are, metaphorically, one-dimensional beings. Thus, the possessions we surround ourselves with become the physical manifestations of our character. In this sense, they define who we are by becoming, quite literally, the outward projection of our character (i.e., they provide the depth our characters otherwise lack). Moreover, they are also the outward manifestation of success. For on this view, the only measure there can be of success is one's ability to satisfy as many of one's preferences as possible in the market place. In this way, I would argue, the satisfaction of our wants becomes the measure of our self-worth and our self-esteem. In fact, there is a tri-partite conflation here: On the one hand, one's self-identity is conflated with self-worth, and the latter is, in turn, conflated with self-esteem. Thus, the more stuff one has, the more successful one is, and one is encouraged to see this as the true measure of one's self-worth and of one's self-esteem. Notice the implicit assumption that the conditions of a free market society are simultaneously the conditions of a meritocracy. Thus, where one ends up in society reflects what you deserve. Selfishness is a virtue and one's position in society is a reflection of one's willingness to work hard and bargain hard, it is a measure of your ambition and drive. In these ways, CC undermines empathy and the notion of identity through dialogue and self-discovery.

In addition to being in conflict with genuine autonomy, this conception of the self is in tension with diversity and plurality, principally in virtue of the imperative to seek the economies of scale that maximize profit. Consider, for instance, the role of globalization and *Multi National Corporations* (MNC's) in the context of CC. Mass production of MNC'S has a powerful homogenizing effect on markets. Call it the *McDonald's Effect*: Everywhere you go, a Big Mac is the same. In fact, MNC's expend great efforts to shape our expectations such that this has become, for many, how we prefer things. We take great comfort in knowing that the Big Mac we order in Moscow, Istanbul, wherever, will be the same as the one we order when we're home. And due to their economic might, these same MNC's are able to push smaller, local players out of the market, thus reducing diversity. And remember, this applies as much to the commodification of the arts and culture as it does to cuisine. Now one might object that McDonalds (and every other successful MNC) tailors its products to individual markets. So, in Moscow you can also go to McDonalds and get, say, borscht or perogies. While this is true, it is traditional cuisines filtered through the profit-driven imperatives of a Western MNC. Even setting aside the difficult question of authenticity, there will be the same effect locally of reducing the once diverse offerings of borscht from the local eateries to the standard set by the fast food market. There is the same re-education of the local palettes; in time, locals have their expectations re-set and come to regard 'this' as borscht.⁵

NATURAL CAPITALISM

Natural Capitalism is the name given to a particular model of capitalism as presented in the book, *Natural Capitalism*, published in 1999 by Amory Lovins, Hunter Lovins, and Paul Hawken. There is a cluster of related ideas in the field usually referred to as the *dematerialization of capitalist society*.⁶ The principle idea unifying the various discussions is to significantly reduce the consumption of resources (and, thus, the correlated production of wastes) relative to a fixed level of services provided. The system is properly called *Capitalism* because it is still based on free market exchange and private ownership, but, for the broadest range of goods possible, we seek to replace the sale of durable goods to consumers as end users with the *sale of services*.

The value of the book by Hawken, *et al*, is the richness of the detail.⁷ In their discussion, the model is based on four principle ideas. First, is to maximize resource productivity (i.e., the quantity of useable product per quantity of inputs). The authors present evidence for the claim that technologies and methods of production are already available that could achieve 70 to 80% enhancements of resource productivity in most sectors. There are two aspects to achieving this desideratum. One is the fullest implementation possible of best existing practices and technologies, and the other is full system design. On this last point, most mass production facilities are presently designed to maximize worker efficiency (i.e., Fordism). This from a time when worker inputs were the most expensive limit to production costs. But with modern production techniques (including robot technologies) this is no longer the case. Full system designs must now seek to minimize material and energy inputs. Put the other way around, the goal is to maximize resource efficiency.

The second idea is *biomimicry*, otherwise known as “closing the loops,” which further enhances resource productivity by focusing on the elimination of waste. The idea is that in nature there is no such thing as waste, certainly no such thing as toxic waste. Everything that is produced as “waste” by one organism becomes the food or input to another organism or the support of some ecological niche. So, this desideratum requires us to model our production systems on the operating principles of biological systems, such that, at every stage of production, what would formerly have been treated as an unintentional by-product, hence waste, becomes the input to some later stage of the process or is rendered inert/harmless (e.g.: by the use of specially designed bacteria).

The third idea is the notion of a “service and flow” economy. This is the fulcrum notion that will require the active participation of consumers, as it will require them to accept giving up ownership of durable goods in exchange for the purchase of services. The perfect example to keep in mind is the photocopier leasing model as it applies to educational institutes, law firms, and such. These devices are complex and finicky, but essential to many businesses. Xerox was the first to realize that their customers didn’t want to own a bunch of expensive devices, difficult to maintain and often constituting a bottleneck to their operations. What they wanted was “document copying services” and Xerox moved to a leasing business model now emulated by all players in this industry. The service provider leases the machines as part of a package that includes a needs analysis, maintenance and upgrade as required. The benefits for the consumer include hassle-free delivery of the needed service and on-going access to state of the art technology (as a result of competition between service providers). Significantly for the service provider there is the benefit of regular cash flow; the elimination of the normal ups and downs of the business cycle that results in significant market volatility. This business model, together with facilitating cradle-to-cradle legislation incentivizes producers to abandon planned obsolescence in favour of goods built to last, thus resulting in significantly less resource consumption and waste production for delivery of equivalent services. It is also localizes exactly where consumers, by their conscious choices, can have a decisive impact on actual outcomes.

And the fourth idea is the restoration of natural capital, e.g., our forests, water, meadows, etc., which we will have the luxury to indulge once the other elements of NC are in place. Consider, for example, the devastation wrought on New Orleans by hurricane Katrina in 1995. The standard narrative of this event fails to mention the role played by the loss of natural wetlands along the coast

of Louisiana, destroyed by decades of agricultural effluents flowing down the Mississippi. No human constructed dikes can, on their own, protect against future events of this sort. The idea here is that, in the fullness of time, as the other three desiderata of NC have the effect of lowering the draw on natural resources and the output of wastes into the environment, we will have the “space” needed to do the hard work required to assist the processes of natural restoration.

CONSUMER CAPITALISM MEETS INQUIRY

Having made the case that CC can have a destructive impact on self-identity, autonomy, self-worth, and diversity (to say nothing of its deleterious impact on the environment), and having presented a plausible alternative to CC that acts as a stimulus to the imagination, participants of a CPI are positioned to recognize that they are not victims of inevitable forces, and are ready to genuinely reflect on how they ought to live. Whereas heretofore their lives were shaped in large part by what may very well have been invisible forces, they can now reflect on, for example, the degree to which they believe that it is true that their identities are constructed by what they own; whether it ought to be the case that their identities are constructed by what they own, and, if not, what is the alternative; the pros and cons of homogeneity; and in general to examine alternative life styles that might be more conducive to human well-being that is within their own purview. Ultimately, discussion of the detrimental impact of CC is, at best, a waste of time if such an inquiry does not lead to participant empowerment.

Inquiry Questions

While, students themselves can be encouraged to come up with inquiry questions in light of the above presentation, I personally have found the following questions helpful in jump-starting the discussion. In fact, I give out printed copies of the questions below *before* even beginning the discussion, in an attempt to short-circuit politically correct responses to CC descriptions, e.g., “I don’t construct my identity by what I own.” We then return to these questions following the presentation. The following is a sample of the sorts of questions that might be helpful in this regard.

1. Are there any material objects in your life that you would be very unhappy to do without?
2. If so, why?
3. Would you still be unhappy if those objects were replaced by low budget but equally serviceable substitutes?
4. If so, why? If not, why not? Give an example.
5. If you found out that you had been hypnotized by a group of local dealers to buy what you have bought, e.g., the red sneakers, would you be annoyed? Would you value what you bought any less?
6. Would the world be better if we all wore exactly the same clothes, read exactly the same books, watched exactly the same movies? If so, why? If not, why not?
7. If we all looked pretty much the same, how would you show to others that you are special? Is it important to have ways to show others that we are special? Do the ways that we use to show that we are special matter?

CONCLUDING REMARKS

The foregoing is the scaffolding on which I stand to conduct a *CPI* with participants on the topic of Consumer Capitalism. Exactly what information I include in any instance is largely a matter of circumstance and the particular dynamics of the group before me. However, in all cases, the strategy is the same. I characterize this strategy in terms of four stages. I always begin, by some sort of mechanism that will eventually show that the participants themselves are indeed being sucked in by the persuasive forces of CC (e.g., handing out questions of the sort listed above *before* giving the presentation). I then proceed to make explicit the presuppositions of CC and trace out some of the consequences of those presuppositions. Then, in the third stage, my goal is to stimulate their imaginations with an alternative model, another way of seeing how the world might be. In the final stage, the *CPI* begins in earnest by returning the original set of questions that tend to demonstrate the degree to which their own identities are a function of what they own, and then proceed to prodding inquiry as to how they might construct their respective identities if they were not a function of conspicuous consumption. This, interestingly, often leads to chicken-egg discussions of whether altering how we construct identities needs to first take place before we can mitigate the forces of CC, or whether we need to first nudge CC to some alternative (such as Natural Capitalism) so that changes in the process of identity formation will emerge more organically. One way or another, though, I think it is safe to say that participants in such discussions are unlikely to be as blind to the potential deleterious personal impact of consumer forces. As well, with an alternative glued in by the discussion, they will have less of a tendency to feel victimized by forces that hitherto may very well have been seen as immutable.

ENDNOTES

¹ This explains, in large part, the sudden and dramatic economic collapse of the Soviet Union. After competing with the West for decades as it ramped up its industrial capacity, it had no way to stimulate domestic consumption consistently with the premises of a centrally planned economy, and economic stagnation resulted.

² This is the only official justification there can be for Capitalism. Even if one cynically supposes that the system is really designed and/or manipulated to enrich the propertied class at the expense of the rest of us, this could never be the official justification. The political legitimacy of Capitalism requires that it be intended to benefit all of us, and that it does so better than any alternative arrangement of the economy. The tension arises from the discrepancy between the official justification and the capacity of the system to deliver the goods.

³ This also explains the remarkable resilience of Capitalism, a resilience that Marxists failed to predict. Marx predicted that the proletariat would grow tired of their exploitation and would rise in rebellion to reject Capitalism, but you don't (can't) reject what is central to your self-identity. Thus, citizens of Capitalist nations will perceive threats to their lifestyle as existential in nature. It is significant, in this regard, that George W. Bush, while addressing America from the rubble of ground zero said, "My job is to keep you safe. You just keep doing what you ordinarily do. Go shopping." And this with a complete absence of irony, it must be noted.

⁴ Utilitarianism as filtered through the economic theory of Vilfredo Pareto, which I will not pursue here.

⁵ Not wanting to sound overly cynical, one must take notice of the enormous effort exerted by McDonald's in particular to cater to children. Shaping the untutored palette is far easier than re-educating mature palettes.

⁶ See, e.g., Meadows, et al., *Limits to Growth*.

⁷ A very helpful précis, by the same authors, has been published in *The Harvard Business Review*, July-August 2007.

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