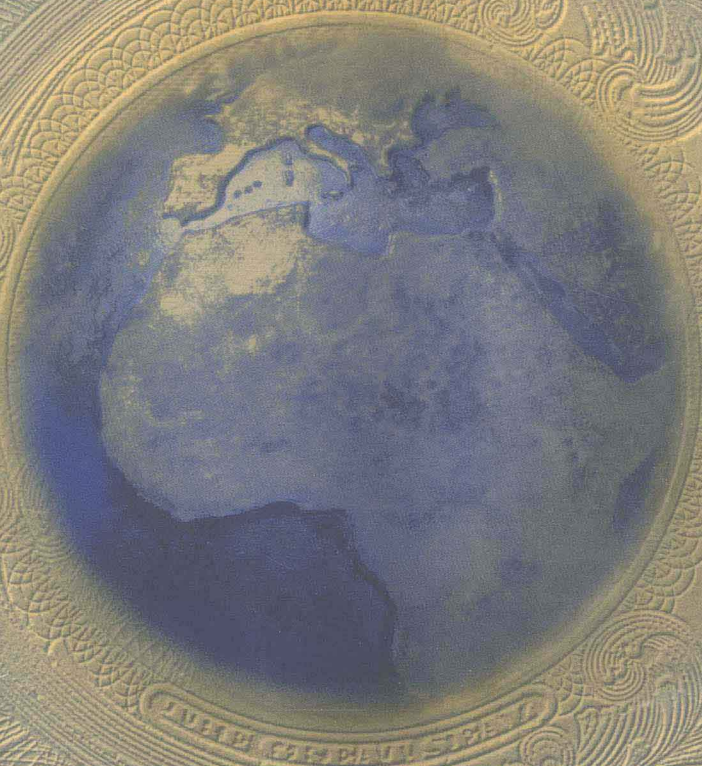


GLOBAL PROBLEMS and the

CULTURE OF CAPITALISM



SECOND EDITION

RICHARD H. ROBBINS

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Global Problems and the Culture of Capitalism

Richard H. Robbins

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P R E F A C E

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.

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

CONTENTS

Preface ix

**PART ONE The Consumer, the Laborer,
the Capitalist, and the Nation-State in the
Society of Perpetual Growth 1**

1 Capitalism and the Making of the Consumer 3

The Focus of this Book 8

Culture and the Construction of the Consumer 10

The Construction of the Consumer 12

Kinderculture in America: The Child as Consumer 21

The Role of Children in Capitalism 21

The Social Construction of Childhood 23

Conclusion 31

2 The Laborer in the Culture of Capitalism 32

A Primer on the Economic Elements of Capitalism 34

The Baptism of Money 37

The Construction and Anatomy of the Working Class 38

Characteristics of the Working Class 38

The Growth of Overseas Assembly Plants 45

The Creation of Free Labor 47

The Segmentation of the Workforce 49

Control and Discipline 52

Resistance and Rebellion 55

Conclusion 57

**3 The Rise of the Merchant, Industrialist,
and Capital Controller 59**

The Era of the Global Trader 62

A Trader's Tour of the World in 1400 62

The Economic Rise of Europe and Its Impact on Africa and the Americas	68
The Rise of the Trading Companies	74

The Era of the Industrialist 76

Textiles and the Rise of the Factory System	79
The Age of Imperialism	81

The Era of the Corporation, the Multilateral Institution, and the Capital Controller 86

The Rise of the Corporation	87
Bretton Woods and the World Debt	90
The Power of Capital Controllers	97

Conclusion 100

4 The Nation-State in the Culture of Capitalism 102

The Origin and History of the State 104

The Evolution of the State	104
The History and Function of the Nation-State	105

Constructing the Nation-State 108

Creating the Other	108
Language, Bureaucracy, and Education	110
Violence and Genocide	114

The Future of the Nation-State 117

Transnationalism and Migration	119
Will Corporations Rule the World?	122
Nongovernmental Organizations	128

Conclusion 129

PART TWO The Global Impact of the Culture of Capitalism 131

5 The Problem of Population Growth 133

The Malthusians versus the Revisionists 136

The Case of India and China	137
The Issue of Carrying Capacity	141
The Ideology of Malthusian Concerns	142

Demographic Transition Theory 146

A Primer on the Determinants of Population Growth and Decline	147
---	-----

Some Examples of Demographic Change 150

Population Growth in the Periphery 153

Wealth Flows Theory 155

The Social Implications of Wealth Flows Theory 157

The Question of Gender and Power 158

Problems and Prospects 160

Conclusion 162

6 Hunger, Poverty, and Economic Development 163

The Evolution of Food Production: From the Neolithic to the Neocaloric 164

From Gathering and Hunting to the Neolithic 165

Capitalism and Agriculture 167

The Neocaloric and the Green Revolution 168

The Politics of Hunger 172

The Anatomy of Famine 174

The Anatomy of Endemic Hunger 176

Solutions to Poverty and Hunger 182

Economic Development 183

Foreign Aid: The Case of Russia 187

Targeting Vulnerable Populations: The Grameen Bank and Microcredit 190

Conclusion 193

7 Environment and Consumption 194

The Case of Sugar 199

Sugar Origins and Production 199

Uses of Sugar 200

The Development of the Sugar Complex 200

The Expansion of Sugar Consumption 202

The Mass Consumption of Sugar 203

Modern Sugar 204

The Story of Beef 205

The Ascendancy of Beef 207

The Emergence of the American Beef Industry 207

Modern Beef 212

The Internationalization of the Hamburger 214

Environmentally Sustainable Cattle Raising 215

Exporting Pollution 217

Conclusion 219

8 Disease 221

A Primer on How to Die of an Infectious Disease 224

The Relationships between Culture and Disease 230

Gathering and Hunting to Early Agriculture 230

“Graveyards of Mankind” 231

Diseases of Environmental Change 235

AIDS and the Culture of Capitalism 238

How Did the Disease Spread? 241

Who Gets Infected with AIDS? 244

Who Gets Blamed? 247

Conclusion 249

9 Indigenous People, Ethnic Groups, and the Nation-State 250

The Fate of Indigenous Peoples 253

Some Characteristics of Indigenous Peoples 254

The Process of Ethnocide 255

The Guaraní: The Economics of Ethnocide 262

History and Background 263

Contemporary Development and Guaraní Communities 266

Ethnic Violence and the Question of Political Sovereignty 268

Genocide in Rwanda 269

Rights of Self-Determination 274

Conclusion 276

PART THREE Resistance and Rebellion 279

10 Peasant Protest, Rebellion, and Resistance 281

Malaysia and the Weapons of the Weak 284

Malaysian Peasants and the Green Revolution 284

Fighting Back 287

Obstacles to Resistance 289

Protest and Change 290

Kikuyu and the Mau Mau Rebellion 291

The British in East Africa 291

The White Highlands 293

The Roots of the Rebellion 295

The Rebellion 296

"State of Emergency" 298

The Oath and the Detention Camps 301

Independence 302

The Rebellion in Chiapas 303

Poverty and Inequality in Chiapas 305

The Rebellion and the Global Economy 307

The Revolt and the Reaction of the Mexican Government 308

The Future of Peasants 309

Conclusion 310

11 Antisystemic Protest 311

Protest as Antisystemic: The Two World Revolutions 312

The Revolution of 1848 313

The Revolution of 1968 315

The Protests of Labor: Coal Miners in Nineteenth-Century Pennsylvania 317

The Coal Industry and the Worker's Life 318

Worker Resistance and Protest 321

Destroying Worker Resistance 323

Global Feminist Resistance 324

Gender Relations in the Culture of Capitalism 326

Strategies of Protest 329

Ecological Resistance Movements 332

Earthfirst! 332

Chipko and the Tragedy of the Commons 333

Conclusion 335

12 Religion and Antisystemic Protest 337

Indigenous Religious Movements as Protest 339

The Ghost Dance 340

The Cargo Cults	341
Zionism in South Africa	342

The Global Challenge of Antisystemic Religious Protest 346

Islamic Fundamentalism	348
Protestant Fundamentalism in North America	350
The Contest between Liberation Theology and Protestant Fundamentalism in Latin America	358
The Growth and Development of Liberation Theology	358
Growing Opposition to Liberation Theology	360
The Growth of the Evangelical Movement in Latin America: The Case of Guatemala	360

Conclusion 363

13 Constructing the Citizen-Activist 364

What Are the Real Dangers? 364

The GNP and the Construction of the Doctrine of Perpetual Growth	365
The Depletion of Natural Capital	368
The Depletion of Political Capital	372
The Depletion of Social Capital	375
Capital and Public Policy	377

Constructing the Citizen-Activist 378

Indices and Goals for Well-Being	379
The Means and Prospects for Change: Attaining Zero Economic Growth	382
Rebuilding and Maintaining Natural Capital	382
Restoring Political Capital	383
Rebuilding Social Capital	384

Conclusion 386

References 389

Name Index 405

Place and Culture Index 409

Subject Index 413

PART ONE

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

[W]hat 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 André Gide 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.

¹The 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-