

*New  
Directions  
in  
Modern  
Economics*



# **THE ECONOMICS OF ABUNDANCE**

**Affluent Consumption  
and the Global Economy**



**BRENDAN SHEEHAN**

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NEW DIRECTIONS IN MODERN ECONOMICS

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## Preface

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It is always easier to be critical than creative, just as it is easier to follow than to lead. This book is unambiguously positive in character. It faces up to the challenge posed by John Kenneth Galbraith over 50 years ago in order to make a constructive contribution to a different style of economic analysis – the economics of abundance.

The starting point for this book began with the realisation that mainstream and heterodox economists – with some honourable exceptions – had little to offer to the explanation of spending by affluent consumers. Other disciplines have taken the topic much more seriously, but with perhaps insufficient appreciation of the general market form in the system of abundance. Certainly it is true that for far too long, non-economists have had to rely on the works of Thorstein Veblen and J.K. Galbraith to provide economic insights on affluent consumption.

Consequently I embarked upon an autodidactic multi-disciplinary process, criss-crossing over existing academic boundaries, to read extensively how other disciplines dealt with affluent consumption by, and marketing messages targeted towards, the people of plenty. I engaged with seminal contributions produced by a variety of academics that have changed the way other disciplines think about affluent consumption, which sadly go unrecognised by the economics profession. Hopefully I have been able to extract some of the best of what other disciplines have had to offer in order to develop a distinctive heterodox economic perspective.

Economists of all persuasions should be intrigued by the content of the book. The likelihood, however, is that it will be more attractive to those who have powerful reservations about mainstream economics. It may even be the case that those in other disciplines – such as anthropology, economic and social history, sociology, social psychology, sustainable development, architecture, art and design, marketing and cultural studies – will have most reason to embrace its ideas. The book, however, is just a beginning. It opens up a new research agenda. Others will have the opportunity to make their own contribution. Hopefully it will stimulate a multi-disciplinary dialogue between academics who might not otherwise appreciate what they share in common. Time will tell if it does so.

My embryonic ideas were first set out in a research paper entitled ‘The management of specific demand – Galbraith revised’ that I co-authored with a

colleague, Karl Petrick. It was presented at both the Post-Keynesian Annual Conference in June 2002 at the University of Missouri–Kansas City, and in Dublin, Ireland, at the annual conference of the Association of Heterodox Economics in July 2002. It received such a positive response at both venues I was encouraged to embark on the challenging project culminating in this book. The project has taken much longer to complete than I first expected. Like all authorship, if one knew how arduous the intellectual journey would be at the outset, one probably would not begin. However, now that the journey is complete, I admit I would not have missed it for the world.

No book is an individual effort. Many others helped along the way. I am indebted to Piet Keizer and Adel Daoud for their many sagacious comments on earlier drafts of chapters. These two academics do not agree with all the arguments contained in this book, but have given generously of their time and effort. They have consistently provided coherent criticisms and have assiduously highlighted aspects of the argument that have not been sufficiently well expressed. I am extremely grateful to my sister Maire Smith for both her guidance through the psychological literature and wise comments on various chapters. I am very grateful to my friend Steve Dalton for pointing me in the direction of Galbraith when I first began to espouse my nascent ideas, and offering helpful comments on draft chapters. In addition I would like to thank Karl Petrick for giving me assistance in getting this project off the ground.

Parts of early drafts of chapters, that formed research papers, were presented at numerous seminars, workshops and conferences over the past seven years. Specifically, key aspects of Chapter 3 were presented in 2005 and parts of Chapter 5 in 2007 to the Social Science Seminar Series at Leeds Metropolitan University. An early version of the appendix to Chapter 2 was presented at the Economics Seminar Series at Manchester Metropolitan University in 2003. Parts of Chapter 1 and Chapter 3 were presented as a paper entitled ‘Consumer culture and economic performance – the role of the institution of marketing’ to the SCHEME Workshop on Culture and Economic Performance held in Stirling in 2009. Finally parts of Chapters 2, 3 and 6 were presented as papers to the Association for Heterodox Economics Conference at the University of Leeds in 2004, the University of the West of England in 2007 and Kingston University in 2009 respectively. I am grateful for the comments provided by all the participants of these events.

It is also important to thank Anne Gregory, Liz Yeomans, John Embery, John Sutherland and Ghulam Nabi for the helpful comments they have made on early versions of chapters. In addition I would like to thank Andrew Trigg for his positive response and interest in the ideas I was putting forward. Finally I would like to thank my wife Jane for her considerable attention to detail when proofreading my contribution and, of course, for her perpetual love and support. I have dedicated the book to her.

The book is immeasurably better as a result of all these helpful contributions. But having thanked others it is important to note that all errors and omissions are entirely my responsibility.

Brendan Sheehan  
November 2009

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# 1. Abundance, scarcity and sufficiency

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## A. WHY SHOULD YOU READ THIS BOOK?

In *The Affluent Society* John Kenneth Galbraith threw down a challenge to the economics profession. Surrounded by the generalised prosperity of North America in the 1950s Galbraith called on economists to face up to “the economics of affluence of the world in which we live” (Galbraith, 1998, p. 131). Galbraith’s challenge has sadly been ignored by economists for the last 50 years. This book seeks to contribute parts of the answer to the Galbraithian challenge. In other words it begins the task of constructing a different type of economics – the economics of abundance. Consequently this book puts aside the conventional wisdom of universal scarcity.<sup>1</sup>

The initial focus is on what people have, not what they lack. What is strikingly obvious is that what different people have is vastly unequal. The inequality of what different peoples have, and the different reasons why they want more, depends upon the economic system within the global economy they inhabit. This book divides the worldwide population and the global economy into three broad categories. First, there are the people of poverty who live in the economic system of scarcity. Second there is the system of sufficiency experienced by the people of adequacy who have access to enough products to have a passable existence. Last, but most important for this book, is the system of abundance experienced by the people of plenty. The people of plenty make up a minority of the global population but are the most affluent, responsible for the greatest proportion of spending power and resource usage in the global economy.

In order to address the economic dimension of the human condition of the people of plenty this book addresses two key questions. The first is why do affluent consumers consume? The second question is: how are the people of plenty persuaded to continue consuming on an ever-grander scale? These are vital questions to pose as the system of abundance is driven by an imperative to grow – more spending, larger markets, more production and higher profits. The answers to these two key questions take up much of the rest of this book and provide the key to solving the puzzle of the economics of abundance.

This chapter is a prelude to later chapters of the book. It raises issues and highlights themes that will be developed in much more detail in subsequent



chapters. Section B is of central importance as it defines the concept of relative abundance which will be utilised in the rest of this book. Section C examines the characteristics of the three economic systems – the systems of scarcity, sufficiency and abundance – and conditions of the three peoples who experience these systems – the peoples of poverty, adequacy and plenty. The system of abundance and the people of plenty are given the greatest attention. In particular the priority the system gives to consumption and the pivotal role played by the institution of marketing is highlighted. This section also examines the symbiotic relationship between the three economics systems, based on mutual interdependencies, that collectively makes up a general system of the global economy.

Section D examines the different economic problems faced by different peoples in different economic systems. The economic problems are not too dissimilar for both the systems of scarcity and sufficiency, but quite distinctive in a system of abundance. Section E outlines the choices and trade-offs that have to be made by the peoples of scarcity, adequacy and plenty. Once again the choices and trade-offs available in a system of abundance are very different from those endured in both scarcity and sufficiency.

Finally, section F sets out some initial comments about the influential drivers of, and constraints on, spending by the people of plenty. What is distinctive about the system of abundance is the way the institution of marketing actively amplifies the drivers and relaxes the constraints on spending by the people of plenty. Moreover, the section outlines some insights about corporate-guided markets on which the vast majority of consumer spending is conducted in the system of abundance. The initial comments set out in this section will be extensively developed and refined in later chapters of this book. There is an appendix to this chapter that places the dynamic system of abundance in historical context, beginning in mid-eighteenth century England and spreading progressively around the globe.

## B. DEFINING ABUNDANCE

All beginnings are difficult, especially when introducing the economics of abundance. For use of the term *abundance* questions a powerful shibboleth within the economics profession – the conventional wisdom of universal scarcity (Robbins, 1935; Xenos, 1989; Daoud, 2007). However, to address the Galbraithian challenge it is necessary to move beyond the Robbinsian paradigm and bring abundance back into the acceptable lexicon of economics. In doing so an intriguing question needs to be addressed: how is the concept of abundance to be defined? On reflection though, the answer is quite simple. It involves categorising abundance as the experienced economic condition of the

people of plenty relative to the conditions experienced by the peoples of poverty and adequacy. Abundance is therefore analysed as an experienced reality rather than an abstract future utopia.<sup>2</sup>

The ultimate anchor for making comparisons in the economic dimension of the human condition is those who have the least – the people of poverty living within the system of scarcity which has an extremely limited productive capacity. From the perspective of the people of poverty it is obvious that the economic dimension of the two other peoples – the peoples of adequacy and plenty – and the economic systems they experience are very different. The people of poverty appreciate that the people of adequacy have somewhat more than them, although the differences are not extreme, because the latter can access a slightly more productive economic system with some more opportunities for betterment. But for the people of poverty it is self-evident that the economic dimension experienced by the people of plenty living in an economic system that has solved the problem of production, is altogether distinct; indeed the people of plenty seem to live in a different world.

The second anchor for assessing abundance is the people of adequacy – those whose existence is passable enough with all the essentials to get by. From their perspective it is obvious that the economic system they inhabit allows them to have a better standard of living than the people of poverty. The system of sufficiency allows them to have access to the necessities and some decencies that make life bearable plus the occasional treat, and the opportunity to make some limited economic progress. However, they are only a few steps above the people of poverty and the continual threat is that they might slip back into that category. Nevertheless, it is equally clear to the people of adequacy that the standards of living, and the economic system, experienced by the people of plenty are significantly, often vastly, different from their own conditions.

For completeness it should be noted that the people of plenty also appreciate the differences in the economic dimension of the human condition. They realise that there are members of the global community who are significantly poorer than they are – the people of adequacy – and then those who live in wretched conditions, the poorest of the poor – the people of poverty.<sup>3</sup> Consequently in this book abundance is defined relative to the anchors of the scarcity and sufficiency.<sup>4</sup> Put another way, the definition is one of relative, rather than absolute, abundance. This contrasts with the mainstream definition of relative scarcity – that is a constraint on resources relative to the scale of wants (or demand?).

Why is it necessary to put aside the mainstream frame of reference? The main problem with this framework is that it universalises scarcity. All peoples, rich, poor and those in between, are analysed in the same way and are assumed to face the same universal problem. Clearly this perspective masks the massive

scale of global inequality and the operation of the different economic systems. Moreover, it distracts attention away from the very great differences in the economic dimension of the human condition experienced by different peoples, which is an essential aspect of the subject matter of economics.

By applying the idea of relative abundance, however, the differences in the economic dimension of the human condition can become the focus of analysis. This requires a new mindset that puts aside the fixation with what people *lack*. Instead it concentrates on what people *have*; the unequal distribution of what people have; and the different reasons why different peoples want more. The last point involves making choices. This requires an appreciation of the diverse contexts – with different influential drivers and constraints – in which choices are made by the different peoples (and corporations) in the three economic systems. Moreover, many choices are made in a market setting; therefore this requires an examination of the different market forms that dominate different economic systems.

Paradoxically, to thoroughly investigate differences requires that similarities in the human condition are also examined. In short, to properly delineate *inter-group* differences experienced by distinctive categories of peoples in different economic systems it is necessary to clarify the *intra-group* similarities within each specific category. This means that the ultimate purpose of economics is to investigate the differences, and similarities, in the economic dimension of the human condition. As a subset of this subject matter, the economics of abundance focuses upon the economic dimension of the people of plenty which is defined by the economic system which they experience – the system of abundance.

This definition of the subject matter of economics might be criticised for not being sufficiently clear about what constitutes the “economic dimension”. At this point it is enough to note that in this book the economic dimension is defined in a catholic manner. The narrow, pre-Keynesian, frame outlined by Robbins, which claims economics is about the relationship between ends and scarce means, is put aside. That said the role played by the act of economising is not dismissed; but the importance attached to this activity differs depending upon the economic system which is under consideration. The issue of the subject matter of economics is discussed in more detail in Chapter 7.

## C. THE DIFFERENT ECONOMIC SYSTEMS OF THE GLOBAL ECONOMY

### **The Systems of Scarcity and Sufficiency**

In the world today roughly 70 per cent of the global population of 6.5 billion

people experience the economic systems of sufficiency and scarcity. Those who endure the system of scarcity can rightly be called the people of poverty; their lives are, from the perspective of the people of plenty, ones of serious poverty, where the basic necessities of life are hard to come by. These nearly 2.5 billion people have diverse experiences.<sup>5</sup> Included in this category of people are the marginalised rural people on the least fertile land of the Third World (husbanded mostly by older men, women and children); the refugees from various natural and man-made catastrophes; and, very importantly, the poorest inhabitants of the gigantic shantytowns that surround the mega-cities of the Third World (Latouche, 1993). Furthermore, the people of poverty include the roughly 27 million people worldwide who work in conditions of modern slavery (Bales, Trodd and Kent Williamson, 2009).<sup>6</sup>

The economic dimension these people experience is founded on a mass of low skill manual jobs on the least fertile land or at the lowest ranks of the informal social networks in the shantytowns. For those experiencing this retarded economic system living conditions are extremely basic; especially in the mega-cities of the Third World, each one inhabited by some 10 to 20 million people. Consider as an exemplar Okhla, a slum cluster in the city of Delhi in India; it is one of the many slum clusters in Delhi. Over one third of the 15 million population of the city live in the slum clusters. The people of poverty in Okhla live in slum “housing”. This is a tiny overcrowded room shared by a family of as many as ten separated from the outside alley by something as flimsy as a curtain. Sanitation is primitive or non-existent; there is no electricity and no waste disposal systems. Primary education, when available, is a luxury that often cannot be afforded by these families for children are important wage earners.

Access to available health care services is also severely restricted, and when the services exist they are expensive and beyond their reach. This means, for example, that preventable conditions such as cataracts and glaucoma that can lead to total blindness are left untreated. In India there are about 11 million blind people – mostly members of the people of poverty – whose condition is for the most part treatable. Furthermore, it can be no surprise that the people of poverty endure very high death rates. Roughly 30,000 to 40,000 children under the age of five die *each day* due to a lack of food, clean water and basic medical facilities; that is 10 million avoidable deaths per year, or, as Latouche notes, the equivalent of an Auschwitz every three months.

A second category of the global population is the roughly 30 per cent – or 2 billion people – who experience what can be called the system of sufficiency. From the perspective of the people of poverty the people who inhabit the system of sufficiency experience distinctly better material conditions.<sup>7</sup> The people of adequacy have moved beyond the shantytowns or have slightly larger and more fertile farms. They are, however, not spatially divorced from

the people of poverty. Often they will live cheek by jowl with each other, perhaps a few streets away or in the next valley. The people of adequacy include those who have stable but low-level jobs and occupations in the formal economy plus those of middle rank in informal social networks.

The economic system the people of adequacy experience at least allows them to enjoy the necessities of life – plentiful food, clean water and decent but often overcrowded homes with access to forms of electricity and sanitation. They have limited access to health care and primary, perhaps secondary, education. This portion of the global population can also experience some decencies – furniture in every room, carpets, decorations – and the occasional luxury – books, children’s toys, attending a sports event, access to transport.<sup>8</sup> But without comprehensive welfare systems (for example, unemployment benefits, health insurance and pensions) the position is perilous for those who suffer unemployment, ill-health and old age. In other words, although the people of adequacy live one or two steps above the material conditions of the people of poverty they face the persistent threat of falling back down if unfortunate circumstances arise.

As Latouche (1993) notes that without a nebula of sophisticated social networks, each with a shared culture and strong reciprocal ties, the peoples of poverty and adequacy could not survive, especially in urban centres. Latouche calls these networks the *informal*. The informal is an array of diverse social networks based on family, clan or tribe, which have an economic aspect to their shared activities. He contrasts this with the *formal economy* of contracts and legal obligations common in the system of abundance. According to Latouche, some 50 to 80 per cent of urban populations in the Third World live in or from these informal networks. In addition, the economic activities of these informal networks are not motivated in the same way as westernised formal corporations. Social businesses established within the setting of the informal are created to sustain reciprocal ties of family, clan or tribe, and not to maximise profits or expand capital accumulation. What is more, the relationship between those working in these informal small-scale business activities is not necessarily that of owner and worker, but more like that of uncle and nephew or aunt and niece. The reciprocal nature of gifts and credit provided in these social networks not only sustains people but reinforces group identities and shared cultures.

The informal allows the peoples of poverty and adequacy to survive through tough times. Latouche estimates that for a family of 12 living in the poorest districts of Dhaka its social network might provide it with up to seven times their “official” income to see them through difficult times. It is through such mutual support systems Latouche argues the peoples of poverty and adequacy are not just passive victims of economic hardship; they respond positively to create new social and economic conditions for themselves.

In the systems of scarcity and sufficiency the monetary constraint – low incomes and the absence of formal credit facilities – is most influential on what can be purchased. Yet these peoples have no need to be persuaded to want; there is no need to generate a consumer culture or a morality of indulgence. Actually the culture and morality is usually shaped by an ascetic morality based on long-standing social and religious convention where gender inequality is the norm. The ascetic morality encourages abstinence and thrift, and discourages indulgence and excess, which is entirely consistent with limiting demand to the restricted capacity of these economic systems to produce (Horowitz, 1985).

In the systems of scarcity and sufficiency, marketing products is the last thing that concerns the business sector. When the economic system provides additional products the availability is quickly communicated to people by a social network of personal relationships and through queues outside stores. In the systems of scarcity and sufficiency the most difficult task for business is to squeeze higher output from the very restricted resources. Selling what is produced is easy.

For the peoples of poverty and adequacy man-made or natural catastrophe is a permanent fear. Unequal access to important resources such as good farming land or clean water generates local conflicts. For those living on the land the harvest is reliant on the climate. Extreme weather conditions can destroy harvests, causing mere existence to quickly degenerate into famine conditions. For those living in the shantytowns of the mega-cities, or just beyond, the greatest fear is unemployment, ill-health and old age without access to informal social networks to provide support. Both result in rapidly rising mortality rates – especially for the young and old.

### **The System of Abundance**

Finally we come to the third portion of the global population, the roughly 30 per cent (or about 2 billion people) who experience a system of abundance – the people of plenty (Potter, 1973). From the perspective of both the people of sufficiency and, most importantly, the people of poverty, it is self-evident that the people of plenty live in an economic system that allows them to enjoy vastly superior standards of living; that is, the people of plenty have a lot more of everything (except perhaps happiness).

The boundary of the people of plenty does not recognise national borders.<sup>9</sup> The people of plenty stretch across all social classes in the advanced industrialised nations. In addition the people of plenty make up a solid bloc in the Gulf states and form a majority of citizens in Russia and Eastern European nations, apart from Albania. There are also large concentrations in the urban areas of nations located in the Middle East, South Asia, South-East Asia, the eastern

seaboard of China and Latin America. This category even incorporates small affluent minorities living in the least-developed nations, amongst them those at the very top of the informal social network pyramid that support the peoples of poverty and adequacy.<sup>10</sup>

The people of plenty are those of the global community living in a world saturated by branded products. Products inhabit every aspect of their everyday practical lives. This is no surprise, for the system of abundance has solved the problem of production. It has massive productive capabilities to provide a rich profusion of products, unparalleled in human history. The system of abundance achieves this productive potential by utilising the most up-to-date technology, the most advanced equipment and the most highly educated workers. Its retail sector – both bricks and mortar stores and internet sites – has extremely extensive and sophisticated channels of distributing products to consumers 24/7. Further, in this economic system entrepreneurial corporations are always extending productive capacity by investing in new equipment, applying better productive techniques based on scientific/electronic advances, and introducing new organisational and supply systems. Put simply this economic system is founded on fundamental capitalist principles – entrepreneurship, investment and growth.

The very success of the system of abundance means that the most affluent 2 billion people enjoy consumer lifestyles that are significantly more prosperous than the other 4.5 billion people around the globe. For the people of plenty the necessities and decencies of life are all provided. Education – from primary through to higher education – is universally available often free at the point of delivery. High standard health care is almost always accessible to all and often either free or heavily subsidised.<sup>11</sup> Reliable supplies of clean water, good standard housing, electricity etc, are treated as necessities even for the least well-off of the affluent.

Moreover, the people of plenty enjoy affluent lifestyles. Consider what might be reasonably expected as a lifestyle for the average household. They can expect to own their own home or have access to decent rented accommodation. They will enjoy various multiples – of car ownership, televisions, computers, mobile phones, wash rooms and bedrooms, holidays abroad and credit cards. They will buy new fashionable clothing – with new designs and colours – each season. They expect as a norm to have different meals every day and the occasional meal out. They expect a fitted kitchen, with a fridge, a freezer, a washing machine, even a dish washer. They will be able to “spoil” their children with plentiful supplies and varieties of food and drink, fashion clothing, electronic equipment and toys. They expect to be able to regularly redecorate their homes, buy a new car, and insure their homes and personal possessions (including their pets). They will spend money on personal grooming, new handbags and new gadgets; they may even consider cosmetic surgery.

They expect to have access to many digital television channels and be able to download music when they want. They will spend much of their leisure time shopping or on-line 24/7; they will also have access to a plethora of branded cultural and sporting events, especially in urbanised areas. Also they expect to be able to finance parts of their affluent lifestyles by access to abundant sources of credit provided by sophisticated financial systems. Finally, they expect to be consumer-citizens, who can symbolise their success and self-identity through their spending decisions, and who have power and influence in society because they spend.

But a focus on the average household masks the extensive inequality in the share of abundance enjoyed by the people of plenty. The “richest” members of this 30 per cent have what can only be described as a life of luxury – grand homes, often multiple homes in different countries, palatial grounds, the most expensive couture, lavish holidays, impressive personalised jets and majestic private yachts with personalised submarines (Frank, 2008). They even have extravagant personalised staff – the “people” who act as servants, bodyguards, fitness trainers, public relations specialists, lawyers etc. This contrasts starkly with the least well-off members of the 30 per cent who may be on state welfare payments, but who still enjoy access to more than sufficient food, decent housing, free education and health care, a variety of possessions, the occasional treat, and even a family holiday. The vast majority of the people of plenty live in between these two extremes in contented affluence, or what Galbraith (1992) calls a culture of contentment. In this contented state the majority think that their unequal share of abundance is just based on their own “personal virtue, intelligence and effort” (ibid, p. 18), and continued inequality is tolerated.<sup>12</sup>

The inequality experienced within the people of plenty is, however, nothing compared to the inequalities between the richest and poorest of the global population. As Latouche notes it is as if the people of poverty and plenty lived on a different planet. Even the experience of the average household of the people of plenty bears no relation to the average household enduring the system of scarcity. In global terms the least well-off members of the people of plenty actually constitute a part of the most affluent 30 per cent of the world community.

The economic issues experienced in a system of abundance are profoundly different from those in the systems of scarcity and sufficiency. The system of abundance has a massive productive capacity to churn out a vast cornucopia of products of inestimable variety each day. Moreover, the defining characteristic of this economic system is economic growth; the system’s aggregate output over the long run rises, though unevenly and with occasional recessions of varying severity and duration. This growth requires that aggregate expenditure within the system grows to create the expanding markets on which profits can



be realised from the sales of ever-greater volumes of products. The dominant category of spending in the system is aggregate consumption expenditure. Higher consumer spending by the people of plenty means greater corporate revenues and profits, and a strengthened inducement for new investment spending to create more productive capacity. In the system of abundance higher consumer spending is the driver of greater production, increasing profits and higher investment.

Potter (1973) is one of the first to recognise the distinctive character of the economic problem in the system of abundance. With the problem of production solved, the dominant issue becomes how to promote ever-rising consumption spending. The greatest threat to the system of abundance is under-consumption by the people of plenty. This is a situation where the affluent consumers in the world, for a variety of reasons, slow down their rate of consumption relative to the potential growth of productive capacity. The system of abundance must counter this under-consumptionist threat and Potter correctly diagnoses the cure. He explains that when:

the productive capacity can supply new kinds of goods faster than society in the mass learns to crave these goods or regards them as necessities ... the imperative must fall upon consumption, and society must be adjusted to a new set of drives and values in which *consumption is paramount*. [Potter, 1973, p. 173; emphasis added]

Potter is the first to recognise that the system of abundance grows and prospers because it spontaneously generates the appropriate institutional arrangement which gives priority to consumption. In this book this institutional arrangement is called *the institution of marketing*.<sup>13</sup> The formation of this institution is the inevitable result of profit-seeking corporations trying to ratchet up spending on corporate-guided markets. The institution of marketing produces a glut of persuasive commercial messages which conditions the people of plenty to feel, think and act in ways consistent with increased spending. In the process the institution becomes the dominant cultural force in an ever-more commercialised consumer society. But precisely what is the institution of marketing? This is a topic dealt with in detail in Chapter 2, but an initial explanation is appropriate.

The definition of an institution used in this book fuses together the insights of G.H. Mead (1964) and David Potter (1973). The Mead-Potter conception of an institution is an organised grouping engaged in shared activities that require similar attitudes/mindsets, and which operate propaganda mechanisms that instigate a cultural setting and, where appropriate, cultural change.<sup>14</sup> In this context the institution of marketing can be described as a gigantic, global organised network of diverse membership whose overarching purpose is to give priority to consumption. The membership of the institution straddles all