

IN DEFENCE OF CAPITALISM

A REGULAR SERIES



Dr Rainer Zitelmann

IN HIS 2015 encyclical 'Laudato Si', a blazing indictment of capitalism, Pope Francis proclaimed: "Since the market tends to promote extreme consumerism in an effort to sell its products, people can easily get caught up in a whirlwind of needless buying and spending. Compulsive consumerism is one example of how the techno-economic paradigm affects individuals". In a similar vein, the Swiss sociologist Jean Ziegler wrote: "Consumer society is based on a few simple principles: its members are customers who are seduced into buying, consuming, and throwing away goods in ever-increasing numbers, and enticed into acquiring new goods even when they don't really need them".

Such criticism of consumerism is nothing new. When the thesis that capitalism leads to the impoverishment of the broad masses of the working class was refuted by developments in the United States and Western Europe after the Second World War, the "New Left" virtually turned the argument around: Not too little, but too much consumption was the true evil of capitalism, they claimed. There was even talk of "the terror of consumption". This involved capitalist companies first artificially creating "needs" among consumers through advertising, then partly satisfying them with cheap, inferior goods, in the epitome of the "throwaway society".

The British philosopher Roger Scruton characterised the critique of "overabundance" and "consumer society" when he wrote: "This story turns the proof of our freedom – namely, that we can obtain what we want – into the proof of our enslavement, since our wants are not really ours."

For intellectuals – whether on the left or the right of the political spectrum – criticising consumerism was and is a means of distinguishing themselves from both the economic elite and the broad masses. Intellectuals, the bearers of the critique of capitalist-driven consumerism, fundamentally despise everyone who is not like them: the masses, who indulge in superficial consumption, and the capitalists, who also lack the right education and culture. Both the masses and the capitalists, these critics posit, are united by disdainful materialism, which stands in complete contrast to the idealism of true values and elevated culture that characterise the educated bourgeoisie.

Criticism of consumer capitalism continues to be formulated by intellectuals right up to the present day, and it is becoming increasingly strident and relentless. In 2009, the British author Neal Lawson published an article in The Guardian under the headline "Do we want to shop or to be free? We'd better choose fast". His critique:

ALL TOO MUCH?

In the last of an eight-week series, German historian and sociologist **Dr Rainer Zitelmann** makes the case that capitalism is the answer to many of the world's problems – not the cause. This week, he mythbusts the idea that free markets persuade us to want more than we need.



"We consume to buy identity, gain respect and recognition, and secure status. Shopping is the predominant way in which we know ourselves and each other, and it is at the point of ruling out other ways of being, knowing and living... The market competes like a shark; it has no morality but feeds incessantly on us to get us to buy more because sales and profits must go up and up."

Lawson's critique culminates in equating the Gulag Archipelago, the network of forced labour and concentration camps in Stalin's Soviet Union where millions met their deaths, with the Italian luxury brand Gucci, which he regards as the incarnation of consumer capitalism: "Totalitarianism, a society where alternatives are ruled out, was meant to arrive in the jack-

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boots of the communist left or the fascist right. It now arrives with a smile on its face as it seduces us into yet another purchase. The jackboots are in this season's colour and style. We are watched, recorded and ordered not by our political beliefs but by our shopping desires. The gulag is replaced by Gucci."

Of course, capitalism creates a whole host of products that you or I would call useless and superfluous, simply because they are useless and superfluous to us personally. But capitalism is a free and democratic system in that it lets people decide for themselves what they need or don't need (with the exception of products that are banned for good reason, such as child pornography). The alternative would be a government-run, command economy in

which politicians and civil servants decide what products people need or don't need. Ludwig Erhard, who introduced the market economy in West Germany after the Second World War, once ironically observed of critics of the capitalist consumer society: "If the ladies want cuckoos on their hats, let them have cuckoos. I am certainly not about to ban the production of hats adorned with cuckoos".

Dr Rainer Zitelmann's new book, 'In Defence of Capitalism', has just been published and is widely available.

