

The Discourses of Capitalism

Everyday Economists and the Production of Common Sense

Christian W. Chun



Language, Society and Political Economy



The Discourses of Capitalism

Since the global economic crisis of 2007–2008, ‘capitalism’ has been the topic of widespread general discussion in both mainstream and social media. In this book, Christian W. Chun examines the discourses of capitalism taken up by people in their responses to a street art installation created by Steve Lambert, entitled *Capitalism Works for Me!* In doing so, he considers several key questions, including:

- How do everyday people view and make sense of capitalism and its role in their work and personal lives?
- What are the discourses they use in their common-sense understandings of the economy to defend or reject capitalism as a system?

Chun looks at how dominant discourses in social circulation operate to co-construct and support capitalism, and the accompanying counter-discourses that critique it. This is key reading for advanced students of discourse analysis, language and globalization/politics, media/communication studies, and related areas. A video lecture by the author can be accessed via the Routledge website (www.routledge.com/9781138807105) and the Routledge Language and Communication Portal (www.routledgetextbooks.com/textbooks/languageandcommunication).

Christian W. Chun is Assistant Professor of Culture, Identity, and Language Learning in the Applied Linguistics Department at the University of Massachusetts Boston, USA. He is the author of *Power and Meaning Making in an EAP Classroom: Engaging with the Everyday* (2015).

LANGUAGE, SOCIETY AND POLITICAL ECONOMY

Series editor: David Block, Institució Catalana de Recerca i Estudis Avançats,
Universitat de Lleida

This series aims to publish broadly accessible monographs which directly address how theoretical frameworks in political economy can directly inform the critical analysis and discussion of language in society issues. Contributions to the series include extensive theoretical background, dealing with an aspect or area of political economy, before moving to an application of this theoretical discussion to a particular language in society issue. The series takes up the challenge of inter-disciplinarity, linking scholarship in the social sciences in general (and political economy in particular) with the kinds of issues which language in society researchers have traditionally focused on. The series also aims to publish books by authors whose ideas fall outside the mainstream of language in society scholarship and by authors in parts of the world which have traditionally been underrepresented in relevant international journals and book series.

Titles in the series:

The Discourses of Capitalism

Christian W. Chun

Language and Neoliberalism

Marnie Holborow

For more information on any of these and other titles, or to order, please go to www.routledge.com/Language-Society-and-Political-Economy/book-series/LSPE.

Additional resources for Language and Communication are available on the Routledge Language and Communication Portal: www.routledgetextbooks.com/textbooks/languageandcommunication.

The Discourses of Capitalism

Everyday Economists and the Production of
Common Sense

Christian W. Chun

First published 2017
by Routledge
2 Park Square, Milton Park, Abingdon, Oxon OX14 4RN

and by Routledge
711 Third Avenue, New York, NY 10017

Routledge is an imprint of the Taylor & Francis Group, an informa business

© 2017 Christian W. Chun

The right of Christian W. Chun to be identified as author of this work has been asserted by him in accordance with sections 77 and 78 of the Copyright, Designs and Patents Act 1988.

All rights reserved. No part of this book may be reprinted or reproduced or utilised in any form or by any electronic, mechanical, or other means, now known or hereafter invented, including photocopying and recording, or in any information storage or retrieval system, without permission in writing from the publishers.

Trademark notice: Product or corporate names may be trademarks or registered trademarks, and are used only for identification and explanation without intent to infringe.

British Library Cataloguing in Publication Data

A catalogue record for this book is available from the British Library

Library of Congress Cataloging in Publication Data

Names: Chun, Christian W., 1960- author.

Title: The discourses of capitalism : everyday economists and the production of common sense / by Christian W. Chun.

Description: 1 Edition. | New York : Routledge, 2017. | Series: Language, society and political economy | Includes bibliographical references and index.

Identifiers: LCCN 2016045393 | ISBN 9781138807099 (hardback) |

ISBN 9781138807105 (pbk.) | ISBN 9781315751290 (ebook)

Subjects: LCSH: Capitalism. | Economic policy. | Discourse analysis.

Classification: LCC HB501 .C54666 2017 | DDC 330.12/2--dc23

LC record available at <https://lcn.loc.gov/2016045393>

ISBN: 978-1-138-80709-9 (hbk)

ISBN: 978-1-138-80710-5 (pbk)

ISBN: 978-1-315-75129-0 (ebk)

Typeset in Sabon
by Taylor & Francis Books

Visit the eResource: www.routledge.com/9781138807105

Contents

<i>List of figures</i>	vi
<i>Acknowledgments</i>	vii
1 The discourses of capitalism	1
2 Ideology, common sense, and hegemony	23
3 Discourse itineraries of economic representations	41
4 Common-sense beliefs: “The only system that ever does work”	59
5 Hegemonic discourses of capitalism: “Nothing is perfect”	89
6 Counter-hegemonic discourses: “Who gets all the money?”	117
7 Public pedagogy engaging with the discourses of capitalism	141
<i>References</i>	145
<i>Index</i>	155

Figures

- 1.1 Steve Lambert's *Capitalism Works for Me!* in Times Square,
New York. Courtesy of Steve Lambert (Creative Commons
BY-NC-SA) 19
- 1.2 Voting console for Steve Lambert's *Capitalism Works for Me!* in
New York City. Courtesy of Steve Lambert (Creative Commons
BY-NC-SA) 20

Acknowledgments

A single-authored book may appear to be an individual achievement, but there is always a community behind it, and this book is no exception. Various parts of this book were written in Los Angeles, Hong Kong, Sydney, and Boston, and it could not have been done without the support of many colleagues and friends in those cities and elsewhere.

I would first like to gratefully acknowledge and profusely thank Steve Lambert, the artist who created the artwork *Capitalism Works for Me!*, for his incredible generosity in sharing with me over 300 recorded interviews with passersby who responded to his artwork. This book was made possible with his granting me invaluable access to these interviews allowing an in-depth analysis of how people view capitalism and the role it plays in their lives. His permission to use images of his artwork in this book is also deeply appreciated.

I also thank my editor, David Block, for first inviting me to submit a book to his series, Language, Society and Political Economy for Routledge, and then for his unwavering support and encouragement through the inevitable hurdles any writer faces in writing an original monograph. I also thank the two anonymous reviewers for their insightful comments and suggestions that greatly strengthened the book.

I thank the publishers Lawrence & Wishart and Verso for their kind permission for the use of the epigraphs in Chapters 3 and 6, respectively.

My interest in economics stems from my seminal encounter with several faculty members in the Economics Department at Franklin and Marshall College in Lancaster, Pennsylvania while I was an undergraduate studying for an economics degree. My professors included Norman Taylor, William Whitesell, Sean Flaherty, Antonio Callari, and most importantly, Jack Amariglio. It was Jack who took a particular interest in me and first introduced me to many of the thinkers I cite in this book. I hope this book lives up to his intellectual rigor and radical commitment.

I am grateful to have supportive colleagues around the world who have contributed to this book in their own ways; particularly, Marnie Holborow, Rodney Jones, John Flowerdew, John E. Richardson, Panayota Gounari, Sue Starfield, Alan Morris, Peter Ives, Marcus Green, and David Ruccio.

I also thank my former students at the University of Southern California, City University of Hong Kong, and UNSW Australia, and my present ones at

viii *Acknowledgments*

the University of Massachusetts Boston for their keen insights and thought-provoking challenges to the hegemonic discourses they have encountered in the classroom and beyond.

I thank the people who have given me much support in the past and present: my late father Chin Wai Chun, my mother Betty L. Chun, my sister Lorraine Ng and her family, and Jessie Noguchi, Paul Knobloch, Martha Atwell, Melanie Chapman, Melissa Manfull, and James Knight.

Lastly, I dedicate this book to the memory of Marshall Berman. I have long been inspired by both his work and public commitment to engaging with his students and the people of New York City.

1 The discourses of capitalism

Capitalism and its discontents

In the past 30 years, there have been at least 15 major economic crises worldwide including the 1987 US stock market crash, the 1997 Asian monetary crisis, and the 2007–2008 global financial meltdown. The ensuing economic crisis that began in 2008 impacted millions of lives in North and South America, Europe, Africa, and Asia, wiping out vast amounts of savings and accumulated wealth, and substantially increasing both government and consumer debt for many countries including China, Spain, Greece, Mexico, and the United States. Unemployment rates in countries such as Greece and Spain now surpass one fourth of the population and threaten to destabilize not only the European Union, but also the global economy. In the United States, 51% of working Americans now make less than \$30,000 a year (Office of the Chief Actuary, Social Security Administration, 2014), which puts them near the poverty threshold annual income of \$24,230 for a family of four (Institute for Research on Poverty, 2014). In the face of all this, economists, policymakers, politicians, and pundits present their various and sometimes-conflicting arguments on how to solve these economic collapses and offer palliative measures to prevent future downturns (e.g., Akerlof & Shiller, 2009; Baker, 2010; Blinder, 2013; Farmer, 2010; Geisst, 2009; Gorton, 2012; Kaletsky, 2010; Krugman, 2012; Lybeck, 2011; Quiggin, 2010; Rajan, 2010; Sinn, 2010; Stiglitz, 2010; Taylor, 2009).

There has been one unanticipated positive outcome amidst this landscape of economic decline and collapse: the 2008 crisis led many people who had been adversely affected to ask why and how this happened to them. Their own responses to the crisis, including some questioning the economic system itself, have generated countless discussions across the global platform of social media networks and online sites of the mainstream media (e.g., Couldry, 2012). The general public debating about the economy was indeed unprecedented inasmuch as “prior to the crisis, economics was something that the average person had gone out of their way to avoid” (Mirowski, 2010, p. 30). Now though, as Philip Mirowski (2010) observed, “suddenly it seemed like everyone with a web browser harbored a quick opinion about what had gone wrong with economics, and was not at all shy about broadcasting it to the world” (p. 30).

2 *The discourses of capitalism*

Why then have seemingly more people now become so passionately opinionated and vocal about the economic system known as ‘capitalism’? Perhaps the heated public discussions and debates stem from everyday people’s increasing anxieties over the continuity and/or security of their jobs, uncertain employment prospects in an unpredictable era, stagnating and declining wages, rising income disparities occurring worldwide, mounting consumer and student debt, and growing poverty among the formerly middle-class in countries such as the US and UK. As the economist Richard Wolff (2016) notes, the mainstream repression of arguments over capitalism versus alternative economic systems during the Cold War and the ensuing years after the 1989 collapse of the Soviet Union lasted until “the 2008 crash of global capitalism reopened the space for those debates to resume” (p. x).

Given that economic issues indeed occupy a prominent and fundamental place in many of our lives, whether it is having enough money to pay the bills on time, accruing more debt, and/or desperately seeking a job in the current era of global competition and outsourcing, it would seem that understanding how people mediate the dominant economic system called capitalism is of the utmost importance. What does capitalism actually mean to people, both through its discourses and materialized lived experiences? How do people make sense of it, and describe its impact on their lives? This book seeks a deeper understanding of how we engage with the discourses of capitalism with its manifold, dominant, and dialogical meanings. But it aims for more than just a better understanding of the ways in which people take up capitalism’s discourses. It also attempts to find ways to build upon and further develop the necessary critical counter-hegemonic discourses that can challenge and ultimately derail the hegemonic representations of capitalism (e.g., ‘the free market’ or ‘capitalism is democracy’) that have been so widely disseminated and taken up in public discourse for decades now. My purpose here is an unapologetic political project that grounds this exploration in ultimately seeking how we can move to a democratic governance and participation in the production and distribution of the surplus wealth the majority of us create through our labor. Understanding what capitalism is, how it operates, and the ways in which we view its role(s) in our lives, and our own roles in this economic system is a crucial element of this project. And by doing so, I also invite readers to examine their own assumptions, meaning-makings, and discourses of capitalism they have taken up in making sense of their own working and everyday lives.

There is much at stake in how we engage with these discourses of capitalism because how we view our economy and its roles and functions in society in which we live, work, love, and die, and behave accordingly have been shaped in large part by its hegemonic representations through its material manifestations in policies and practices, academic literature, media discussions, and popular portrayals. In critically engaging with how everyday people mediate discourses of capitalism, we can build upon our imagining, considering, and developing the possibilities in our own agencies in effecting much-needed changes to an economic system that impacts all of us in ways beyond our immediate lived experiences.

My lived experiences under capitalism

My maternal great-grandparents and grandparents left what was then called the Canton province of southern China for New York City in the 1920s, where they settled in the Lower East Side neighborhood of Chinatown. My paternal grandfather and father arrived in the City a few years later, living uptown in East Harlem. I was born and raised in a predominantly White working-class neighborhood in the borough of Queens, New York City, less than a mile from the house where the fictional character Archie Bunker from the 1970s American television hit show, *All in the Family*, lived. Although Archie Bunker was popularly described as a bigot, as portrayed by the actor Carroll O'Connor, the character was somewhat more nuanced than this. He would poignantly express the views, anxieties, and laments I heard from the people I grew up with in my neighborhood. Part of their prevailing ethos was 'get a job!' and then once you had actually landed a job, you were expected to 'just do your job!' People in this neighborhood, including my parents, had experienced the Great Depression during the 1930s, and many felt they had pulled themselves up by their proverbial bootstraps in the subsequent decades. Because they were justifiably proud of their ensuing life trajectories up to that time during the 1960s and 70s when the so-called 'middle class' in the US was more prosperous than it had ever been, they also felt justified they could give little countenance to those who they perceived as failing to do likewise.

The Archie Bunker character, who worked as a unionized foreman on a Brooklyn loading dock, often expressed this view of relative upward mobility, along with his politically right-wing opinions. In fact, mirroring the political shift of many White working-class people who had previously aligned themselves with the 1930s New Deal administration of President Franklin Roosevelt and his Democratic Party, Archie Bunker was a staunch supporter of President Richard Nixon, a Republican, and who would be viewed today as a Democrat in terms of his economic policies. Archie Bunker then enthusiastically supported the much more conservative Ronald Reagan, who first ran for the US presidency in 1976. This narrative arc of Archie Bunker's shifting evermore rightward in his politics in fact foreshadowed and in this sense even prophesied Reagan's eventual victory in 1980 and the ensuing rise of what became known as "Reaganomics" – the espousal of the so-called "trickle-down economics."

Somehow, many working- and middle-class voters – but certainly not all – either accepted or ignored the basic premises and assumptions of the trickle-down theory of Reaganomics. This was basically the promise made and popularized by Reagan that by giving significant tax breaks to the rich (aka the '1%', as popularized by the Occupy Movement), their resulting increased wealth would 'trickle down' to the rest of society in the form of more spending and investment presumably leading to job growth and thus, a stronger economy. However, one question would be, stronger for whom? It is no coincidence that both President Reagan and his counterpart across the Atlantic, British Prime Minister Margaret Thatcher, were able to draw upon this demographic of White

4 *The discourses of capitalism*

working class (although in the US, they viewed themselves as being members of the ‘middle class’), in many ways typified by the television character of Archie Bunker. Reagan and Thatcher were able to do this by appealing to this segment of the working class in legitimizing and giving voice to their growing resentment toward what they saw as the entitlement of those supposedly benefiting from the social welfare state; this of course with racist overtones. Never mind the fact that many of their supporters had done exactly this, that is, receiving healthcare from the National Health Service in the UK, and for those 65 and over in the US, Medicare, as well as countless numbers of Americans who had been saved from certain destitution due to Social Security. Instead, they chose to enthusiastically support and vote for these two politicians who aimed (and subsequently succeeded to varying degrees) to dismantle the very social welfare settlement and labor-capital accord that had served many in the working class so well the preceding 45 years in enabling them to attain a middle-class lifestyle. And it was no accident either that both my parents, who had supported and voted for Richard Nixon in 1968 and 1972, later became avid supporters of Reagan just like Archie Bunker (although they later switched to the Democratic Party in the 1990s).

My family eventually left New York City and moved to the nearby suburbs of Long Island to a neighborhood that would be regarded in the US as much more middle-class – single-family homes with at least one, if not two cars in every driveway. In both these communities of the City and Long Island, my neighbors, school friends, and I had much more in common than we thought, despite our common practices of identifying and being identified as being ‘Irish’, ‘Italian’, ‘Jewish’, ‘Catholic’, and in my case, ‘Chinese’. Even though I never learned the language or knew much about the cultural practices associated with being Chinese other than having Chinese food during Chinese New Year, I was seen by some as being ‘Chinese’ despite my formative years growing up in those communities. The first growing realization of my social class commonality with my classmates was when I was a high school senior applying to various Ivy League universities. One university was Harvard, which notified me that I would have an admissions interview with an alumna. She lived on the North Shore of Long Island, the so-called “Gold Coast”, a historically affluent area with the likes of such storied families as the Vanderbilts, Roosevelts, Morgans, and Whitneys.

When I drove up to the alumna’s home in my father’s ten year-old car, it was the biggest house I had ever seen. It had at least three levels with a long winding driveway. She and her family were classic old-money WASPs – White Anglo Saxon Protestants. Needless to say, I did not get into Harvard because they deemed me not having the ‘right stuff’ – although not because of my academic achievements or even my ethnic background but because the alumna knew I had been socialized in a working-class background. If you closed your eyes and heard me speak back then, you would have sworn you were talking to Archie Bunker himself, minus his bigotry. My rapidly growing awareness of stark social class differences was further heightened by my attending a small private

liberal arts four-year college in Pennsylvania. It was there I met people who had gone to private schools throughout their entire schooling, and who had either lived abroad or at least traveled overseas. I also met for the first time several people outside my extended family that might have looked similar to me in terms of socially-constructed ethnic physiognomic categories in the eyes of some casual bystanders: two fellow classmates who were from Hong Kong but had attended exclusive private preparatory schools in the US. During spring break vacations, they would fly off to Switzerland to ski while I would take the 5-hour train ride back home to Long Island. It was then I started to feel the disparities in social class and its attendant lived experiences in important ways because although others might have viewed those two classmates and me as being of the same 'race' or 'culture' based on our superficially perceived physical similarities, I had nothing in common with them in terms of their wealth, socioeconomic status, lived experiences, and accompanying outlook on their own prospects in life.

I began to realize that my high school classmates and I had engaged in the prevailing dominant discourse in the US at the time that we were all normatively middle-class, we all had essentially the same access to various forms of resources and capital, and that the only way to go was up – that is, if we worked hard enough and 'did our job', and with a bit of luck, we too someday could be one of those who would be able to fly off to Europe during a week-long vacation to ski. Adopting another dominant discourse, the only discernible differences we co-constructed among ourselves drew from racialized categories – I was 'Chinese', and so-and-so was 'Irish' or 'Italian' even though all of us had been born in the US and were fluent only in English. Thus, we had been socialized into focusing on the micro-differences in our physical appearances regarding hair and eye color, our ancestral family names (although some of these including mine had even been altered upon arrival in the US), and the occasional observation of customs mainly centered around holiday food choices. However, my family would often have pasta during Christmas holidays – did this make us 'Italian', or did it make my Jewish friends who ate at my father's Chinese food restaurant 'Chinese'? We were too fixated on these details to notice that collectively as the 'middle class' in America, we were all in the same boat that had just begun slowly springing leaks in the 1970s, and continuing to the present day with declining or stagnant wages, job loss, and decimation of unions.

With this as a background, as a teenager I was fairly conservative in my own politics. While I was an undergraduate student, I voted for Ronald Reagan in the 1980 US presidential election. I remember his campaign commercial was aired on the radio while I was driving. In his inimitable speaking style honed by years of film acting and then pitching for various corporate sponsors including General Electric (GE), Reagan posed the following question to the American public in the wake of the Iran hostage crisis enveloping the Carter Administration at the time: "It's nice to be liked. But isn't it better to be respected?" In many ways, this was a brilliant appeal that tapped into the growing anxieties of many Americans in the late 1970s. These anxieties stemmed from the post-World War Two labor-capital accord in the US coming to an end due to the systemic stresses

6 *The discourses of capitalism*

brought on by multiple factors including falling rates of corporate profit, the OPEC oil crisis, recessionary stagflation, and the rise of the competing German and Japanese economies. Reagan was able to shift the focus away from US corporations responsible for cutting wages, raising prices, laying off workers and outsourcing good-paying manufacturing jobs, and in doing so, brought into the mainstream the now prevalent neoliberal discourse of blaming undue government ‘interference’ for keeping the market from working as it should. This discourse, coupled with the perceived notion that US military hegemony was on the wane in the wake of the Vietnam War defeat, enabled Reagan to mobilize support through portraying both foreign powers and Americans’ own government as standing in the way of America becoming ‘great’ again. This playbook has since been adopted by ensuing Republican candidates in their bids for the US Presidency.

However, after Reagan was elected, my own politics soon changed dramatically. I had started taking several undergraduate economics courses that eventually led to my getting a B.A. degree in Economics. The departmental faculty had a number of young assistant professors who had come of age during the late 1960s and had been part of the New Left. Two of my professors in particular, Antonio Callari and Jack Amariglio, would go on to become founding editorial members of the journal, *Rethinking Marxism*. It was their courses, along with several of their other colleagues, which began to re-shape profoundly my ways of viewing society that has continued to this day. Their teaching approaches comparing and contrasting neoclassical, Keynesian, and Marxian economic theories were eye-opening and ultimately inspiring. Already feeling alienated from my college environment because so many of my classmates were from privileged backgrounds and were quite assured in their assuming high-paying professional careers, I found a theoretical and philosophical-historical framework that helped me make sense of who I was and what I was seeing and feeling. It was a stunning revelation as an undergraduate student to be introduced to the Marxian legacy and thinkers by my professors, especially Jack Amariglio, who first suggested I read Louis Althusser while I was still an undergraduate. In addition to reading Althusser as well as the work of Marx and Engels, I continued with Antonio Gramsci, Stuart Hall, Henri Lefebvre, Ellen Meiksins Woods, Étienne Balibar, Chantal Mouffe, Slavoj Žižek, and many others in the ensuing years.

Some years later after finishing my undergraduate studies, in the late 1980s, I became a political activist, working for what was then called SANE/Freeze – the original Ban the Bomb movement that began in the US during the 1950s. This was during the Reagan and Bush (the elder) administrations, when they were extensively involved in various military interventions in Central America, including attempting to destabilize and (not-so) covertly overthrow the Sandinista government in Nicaragua. As part of my job, I canvassed numerous neighborhoods across the greater Los Angeles area, knocking on doors and meeting people from all socioeconomic and ethnic backgrounds, discussing with them if they knew how their tax dollars were being spent on the ever-increasing build-up of nuclear weapons, funding the *contras* in Nicaragua, as well as supporting the oppressive military government in El Salvador.

It was an eye-opening experience in many ways having met and talked with at least 10,000 people during those two and a half years. It was through this activist work that I directly encountered on a large scale the ways in which people construct what Antonio Gramsci called their common-sense beliefs. I had read a bit of Gramsci as an undergraduate but I felt compelled to return to his work, specifically his *Prison Notebooks*, during my time working as an activist in the attempt to understand how people I was talking with on a nightly basis could hold contradictory and conflicting views of society, their country, and the world. My decidedly heterodox (at least in the American cultural and political context) political, ideological, and own common-sense beliefs that had been transformed while studying economics, critical theory, and philosophy as an undergraduate were significantly informed and further shaped through this daily activist engagement with the various communities of Los Angeles, all of which has resonated to this day. But I have often thought back to when I was an initial supporter of Ronald Reagan, and yet changed my beliefs dramatically within a fairly short time frame, never to return to my former politics. If I was able to do it, and similarly like-minded people have done so as well, why not others?

I returned to political activism when the Occupy Movement began in the autumn of 2011. Joining the movement in their Los Angeles location, I participated in marching, protesting, talking with fellow protesters, and eventually running a workshop on language and power entitled *Critical Language in Action*, which was uploaded to YouTube and has since garnered over 3,800 views. I once again encountered those incoherent and contradictory elements of common-sense beliefs from both fellow Occupiers and interested passersby in numerous conversations. Many were outraged by the growing economic inequalities they were directly experiencing and observing. In explaining the causes of the global economic crisis, some expressed the view that it was all due to one institutional agent, the Federal Reserve. Their solution was to eliminate this, and capitalism would be able to function freely. Others attributed the crisis to ‘corporate capitalism’, seeing capitalism running amok as it were and in need of greater restraint. In this, a prevalent discourse was adopted and repeated – that capitalism could be reformed and tamed.

What is capitalism?

For many (but certainly far from all) in my parents’ generation who came of age in the immediate years after World War Two, they received a small slice of the pie known as ‘the American dream’: a house in the suburbs, a new car every few years, and the expectation that they would always be financially better off the following year. These middle-class Americans were fortunate enough to reap the benefits of the long struggle of organized labor against capital from the 1930s to 1950s, and the resulting New Deal of the Franklin Roosevelt administration and the accompanying postwar settlement lasting until the early 1970s. For these people during this era, they rightly felt capitalism was the best bet in town. If you worked hard enough and you did your job, then you would be

8 *The discourses of capitalism*

paid ‘a fair day’s wage for a fair day’s work’. However, capitalism does not operate on this principle.

If capitalism in fact does not run on fair-minded principles, what then are the distinguishing features that characterize it as a unique economic system of production, appropriation, distribution, and consumption? As the economist Richard Wolff points out, capitalism has repeatedly been defined by politicians, journalists, pundits, and many academics as “markets plus private (‘free’) enterprises” (Wolff, 2015). However, Wolff argues that capitalism was certainly not the first nor the only economic system that has relied on a market mechanism of product and resource distribution. Both feudal and slave-based economic systems relied on markets to distribute their resources, whether it was the human slaves themselves or the various products slaves and serfs under feudalism produced. Thus, a market system “does not distinguish capitalism from a slave system ... (or) from feudalism” (Wolff, 2015). In the same manner, the notion and practice of so-called “free enterprises,” as Wolff contends, is not confined to capitalism exclusively either. Feudal manors and slave plantations were also able to freely set their own prices and production outputs without state-mandated restrictions. Wolff notes that capitalism in the US functioned without interruption without a ‘free market’ during World War Two as the federal government mandated the use of government ration cards, which effectively replaced the prevailing market system as a means of distributing goods and services. In addition, capitalism functioned without having the freedom to set prices and wages during the early 1970s as President Nixon imposed wage and price controls in the US in an effort to combat inflation. Although initially intended for just 90 days, it lasted at various levels for nearly three years.

So why is this distinction between free enterprise/markets and capitalism important? It matters because in often conflating the two, both the media and the public, whether intentionally or inadvertently but ideologically nonetheless, serve to reinforce the idea in both everyday and academic discourses that capitalism in effect equals freedom, democracy, and choice. In addition, these repeated linkages of capitalism with notions of freedom as supposedly exemplified in free enterprise and free markets have another ideological purpose – to effectively dismiss any thought or suggestion, much less discussion or exploration, of any other alternative economic systemic arrangements. In a world in which capitalist discourses have always called for finding ways to improve everything including commodity products and oneself (as its own commodity in the form of selling one’s labor power) in the name of ‘progress’, it is ironic that capitalism sees itself from being immune to any improvement, even with its so-called ‘imperfections’ and all.

If free enterprise and free markets do not constitute capitalism, what then are its defining features? “Like all important topics, capitalism has been defined and understood quite differently by different people and groups throughout its history,” and therefore “no one should proceed as if any one definition is the only one or is a definition on which everyone agrees” (Wolff, 2012, p. 19). Indeed, the term ‘capitalism’ illustrates Vološinov’s (1973) claim that “the word