## Section 11 – Turning the Tide

## Capitalism: an Unlikely Ally

Both Europe and United States had seen Industrial Revolutions and had growing middle classes made rich by imperialism. In Europe, imperialism was based on the classic model in which the master nation extracts cheap commodities from its overseas colonies and exports finished goods to them, along with a class of educated managers and technicians. American imperialism was based, initially at least, on colonising the territory where it existed. The country developed two different economic models, one in the North and the other in the South. Manufacturing finished goods made the industrial cities in the North rich and powerful and, just as in Europe, expanded the middle class. In the South, slave labour was used to produce cheap basic commodities such as cotton. These were then processed into finished goods by the factories in the North. Thus, the US economic model was parallel but not identical to the European imperialist model.

The South could only compete with producers in other parts of the world through the use of imported slave labour, whereas in the European model, the equivalents to slaves were the indigenous people of distant colonies. The North objected to the South's use of slaves because it challenged the northern interpretation of the Constitution; this, it was argued, was intended to apply equally to all men.<sup>1</sup>

As a result, the South seceded and in 1861, the American Civil War broke out. The war was cathartic and vicious, and would presage the bloody conflicts of the twentieth century. The Northern economy, fuelled by manufacturing capability, overwhelmed the South, which was obliged to import the materiel of war that it needed. The North blockaded Southern ports and gradually strangled it.

At the end of the war, in 1865, by which time the South was ready to capitulate, President Abraham Lincoln forced through the legislature the passage of the Thirteenth Amendment, which would permanently make slave-holding illegal. The South was defeated, and its economic base destroyed.

The consequence of this was that the capitalist model in the US had to evolve. The Northern cities could no longer prosper by buying cheap, slave-produced, raw materials from the South and selling them back as finished goods and they had no overseas colonies to serve these functions.

<sup>&</sup>lt;sup>1</sup> Gender indication deliberate.

This fuelled expansion into the Far West. Since these lands were already occupied, military action was needed to conquer them, which further benefited the industries that had helped defeat the South.<sup>2</sup> Once settlements were established, the Northern economy boomed as its factories produced the railways, engines and rolling stock, machinery, tools and household goods needed for this colonisation. Soon the US was attracting millions of immigrants from poor parts of Europe such as Ireland and Italy. Some of these went to work in the factories, some joined the Western expansion, and some became millionaire industrialists themselves.

This economic boom led to a new economic phase: consumer capitalism. Its underlying principle is that as many people as possible should buy manufactured goods. This in turn requires that they should have the money to do so, and to earn this they would work in the factories that produced them. As Karl Marx pointed out, ownership of the means of production, rather than of land, was the key to capitalism, and it remained so in this new phase, which depended upon increasingly large numbers of people buying relatively low-value goods.

Humans have a very limited need for manufactured goods. We evolved without them. But consumer capitalism depends on people having sufficient disposable income to buy things they don't need, but can be persuaded to want. The classic imperialist capitalism had depended on a disenfranchised urban proletariat earning only just enough to feed and clothe itself. Consumer capitalism requires that as many people as possible have enough not only to buy the essentials, but also to buy luxuries. The end, implicit in consumer capitalism, is to create a vast middle class with varying levels of disposable income, and a tiny upper class whose billions are made by supplying manufactured goods to be purchased with that income.<sup>3</sup> It is further enhanced by lending ordinary people money to buy higher-value luxury items; money which must then be repaid with interest. Thus, in consumer capitalism, the ownership of money eventually becomes the means by which the rich enslave the poor. As a consequence, the manufacturing base of Western economies has shrunk dramatically in recent decades while individual levels of personal debt have soared, and the businesses that enable borrowing have mushroomed.

Within this model, it makes no economic sense to have over half the population excluded! Consumer capitalism required the economic empowerment of women, in order that they might be exploited exactly as men had been. They too must be persuaded to buy things they do not need, and to borrow the money to do it. In order to do this, women's position had to change, from being the possessions of individual men and totally subject to their will, to having independent incomes and the liberty to choose how to spend them.

<sup>&</sup>lt;sup>2</sup> The establishment of the United States, as throughout the Americas, was afforded by the complete disenfranchisement of indigenous people, their violent suppression and the theft of the land they lived on. The US is the successor to European imperialism.

<sup>&</sup>lt;sup>3</sup> The politicians of the North fully understood this, and that was one reason for their hostility toward slavery. Slaves had no money and could not buy manufactured goods.

While the beginning of this change can be traced to the American Civil War, male reluctance impeded the transformation for decades. In the early part of the twentieth century, women's rights activists began to protest, and gained some publicity on both sides of the Atlantic. But the real boost came with the European War of 1914-1918, the First World War.

So many men were called up from all the warring nations that women had to be employed in the factories producing the necessary munitions and equipment. Women entered the workforce and tasted the benefit of having their own money to spend. When the war ended, they were reluctant to lose the ground they had gained, and the nascent women's movement expanded from a small number of educated, upper-middle-class activists to a much broader base. The wall of patriarchal domination had developed cracks.

The US entered the war late, not committing troops until 1917. It was in the US that the women's movement really took hold, but it had to wait until the outbreak of the Second World War, in 1939. This was a true World War; it was fought on or involved troops from almost every continent.

It was won, without question, by American industry. All of the combatants on the Allied side used weapons and equipment made in and shipped from the USA. All over the country but especially in the North and California, factories were booming. Unlike the 1914-18 war, American troops entered the conflict early and in huge numbers and again, women were called to work in the factories.

In post-war Europe and America, consumer capitalism, which had remained in the doldrums during the inter-war period, took off. Over the next twenty years, the European nations were divested of what remained of their empires and the consumer capitalist model took hold across the world.

Women were now workers and consumers too. Huge manufacturing sectors developed to help them spend the money they earned. These included the fashion industry, the cosmetics industry, the entertainment industry and manufacture of ever more ingenious devices that made housework (then still regarded as the preserve of women) less time-consuming. Soon even the motor industry was producing models specifically aimed at the women's market.

Along with having money and a vote, women wanted equal pay, representation in trade unions and much else. Pioneering women took the lead in raising their gender's profile. While these were often from a privileged background, this was not always the case, especially in the United States. Women began to see that they could challenge the patriarchal hegemony, and they established reputations in the arts, letters, politics, business and science. They studied and

became graduates and added to the increasing call for the simplest yet most important of things – to be treated as equal to men.

It was, paradoxically, war, the invention of the patriarchy, that empowered this challenge to it.