The BP Oil Disaster: Blaming Individual Consumers for Capitalist Destruction

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Following the BP/Deepwater oil well explosion in the Gulf of Mexico, many commentators have tried to explain why it happened. Many blame greed and arrogance in BP's executive offices. Others blame it on the Military-Oil-Government alliance that views free-flowing oil (and free-flowing oil profits) as something to promoted at all costs. But some writers identify a different cause. Bonus-seeking executives, corrupt politicians and oil-hungry generals all played a role, but they were only front men for the real villains – *consumers*.

"*Who's Really to Blame for the BP Oil Spill? We Are*," by U.S. green activist Dave Chameides, is typical:

> "The bottom line is, no matter who did their work poorly, or who shirked their responsibilities, at the end of the day, we are the ones who are responsible for the disaster at hand.
>
> "That's right, we are the ones responsible.
>
> "BP, like any other oil company, is in the petroleum game for one reason and one reason only: money. And where does that money come from? It comes from us." [1]

Similarly, a *Guardian* article by British academic Mark Coeckelbergh was headlined, "*We're all to blame for the oil spill*."

> "Moreover, and perhaps most important, we should not only consider responsibility for oil production but also for oil consumption. Business and finance are not isolated from our own choices. Companies such as BP can only do what they do because we want what they sell. We're all too happy with cheap oil. …
>
> "As consumers, we continue to depend on oil in various ways and therefore maintain the oil-hungry system that makes oil companies drill in deep water and undertake other risky activities. "[2]

These are just two of many such articles. [3] All promote a simple lesson: If only "we" would wean ourselves of our oil addiction, then "they" would stop destroying the environment. If "we" would just use less oil, then "they" wouldn't have to drill in environmentally sensitive areas like the Gulf of Mexico.

As Al Gore wrote a few years ago: "All of us contribute to climate change through the daily choices we make … you can begin to take action and work toward living a carbon-neutral life.” [4]

Buy green products, drive less and save the world.

Such views rest on the implicit assumption that corporations – indeed the capitalist economy as a whole – are driven by consumers’ desires and choices, as displayed in the market. Economist Mark Perry of the right-wing American Enterprise Institute, explains:

> “Consumers are the kings and queens of the market economy, and ultimately they reign supreme over corporations and their employees. … In a market economy, it is consumers, not businesses, who ultimately make all of the decisions. When they vote in the marketplace with their dollars, consumers decide which products, businesses, and industries survive — and which ones fail. ”[5]

Perry is echoing the opinions of the influential libertarian economist Ludwig von Mises:

> “When we call a capitalist society a consumers’ democracy we mean that the power to dispose of the means of production, which belongs to the entrepreneurs and capitalists, can only be acquired by means of the consumers’ ballot, held daily in the marketplace.” [6]

This view, usually called *consumer sovereignty*, is widely held, not just by conservative economists but by commentators of many political stripes. It is *conventional wisdom* in the worst sense of the term, a dominant superstition that is assumed to be obviously true and so is never questioned.

But there are many reasons to believe that the conventional wisdom is wrong. The following are just four of them.

1. The market is manipulated

Fifty-three of the one hundred largest economies in the world are corporations. Exxon Mobil alone is larger than 180 countries. [7] In 2000, *Fortune* magazine reported that the 500 largest industrial corporations had revenues equal to two-thirds of all U.S. production. [8]

Those corporate behemoths constantly use their immense economic power to influence consumers’ choices. As a result, the balance of information and persuasion in the consumer goods marketplace is overwhelmingly weighted in favor of sellers and against buyers, for corporations and against consumers.

Michael Löwy writes:

> “Contrary to the claim of free-market ideology, supply is not a response to demand. Capitalist firms usually create the demand for their products by various marketing techniques, advertising tricks, and planned obsolescence. Advertising plays an essential role in the production of consumerist demand by inventing false “needs” and by stimulating the formation of compulsive consumption habits.”[9]

Michael Dawson argues convincingly that advertising has to be understood as part of a much larger marketing process that aims "to make commoners' off-the-job habits better serve corporate bottom lines."

> "Big businesses in the United States now spend well over a trillion dollars a year on marketing. This is double Americans' combined annual spending on all public and private education, from kindergartens through graduate schools. It also works out to around four thousand dollars a year for each man, woman, and child in the country. …"

Dawson calls this process a form of "class struggle from above."

> "On our side of such struggles, within broad limits – for example, we must eat, drink, and sleep – we have the power to choose what we do with our free time, and we fight to make that time as fulfilling as possible. Meanwhile, big businesses have the power to implant objects, images, messages, and material infrastructures in our off-the-job behaviour settings, and, thereby, to influence the choices we make in our personal lives. …"[10]

As liberal economist John Kenneth Galbraith insisted, the immense sums spent on advertising "must be integrated with the theory of consumer demand. They are too big to be ignored." This, he said, "means recognizing that wants are dependent on production.… [which] actively through advertising and related activities, creates the wants it seeks to satisfy."[11]

This is not to suggest that consumers are helpless victims of all-powerful marketing monsters. Consumers frequently resist being manipulated, and specific advertising campaigns often fail. But by spending a trillion dollars a year on marketing, corporations don't just promote individual products: they set the terms under which the market operates, define the range of permissible choices, and promote the constant expansion of needs and purchases that their profits depend on. They wouldn't spend the money if it wasn't working.

2. Consumers aren't equal

Competition among consumers is also grossly unequal. "Consumer democracy" is rendered meaningless by the fact that a few consumers have most of the votes, because they have most of the money.

It's sometimes argued that inequality of wealth doesn't matter, because the rich are vastly outnumbered – our combined wealth lets the rest of us outvote the rich in the market. That sounds good, but it just isn't true. The rich don't just have more money than us as individuals, they have more than us *collectively*.

A recent study of the global distribution of household wealth, published by the prestigious World Institute for Development Economics Research, revealed just how much more the rich own than the rest of us.

> "The richest 2 per cent of adult individuals own more than half of all global wealth, with the richest 1 per cent alone accounting for 40 per cent of global assets.

> “The corresponding figures for the top 5 per cent and the top 10 per cent are 71 per cent and 85 per cent, respectively.
>
> “In contrast, the bottom half of wealth holders together hold barely 1 per cent of global wealth.
>
> “Members of the top decile are almost 400 times richer, on average, than the bottom 50 per cent, and members of the top percentile are almost 2,000 times richer.”[12]

Study after study leads to similar conclusions.

- In Australia, eleven very rich individuals own more than the country’s 800,000 poorest households combined. [13]
- The richest 5% of Americans own more than everyone else in the U.S. combined. [14]
- The 147 individuals who topped the 2002 *Forbes* “World’s Richest People” list had total wealth equal to the total annual income of three billion people, half the world’s population. [15]

Such gross inequality exposes the term “consumer democracy” for the fraud that it is. The capitalist market is a *plutocracy*: we all participate, but a tiny minority of very rich people has decisive influence.

3. Market choice is restricted

While consumers have some ability to choose among a variety of products, they can’t choose products that capitalists choose not to offer. Buyers face a “proffered world of micro-choices, where Ford versus Chevy is a live issue, but cars versus trains is most certainly not.” [16]

The market is also restricted by political, social and economic decisions – past and present – that few consumers have any ability to influence.

North America’s automobile-intensive culture, for example, is the product of a multi-pronged, multi-year campaign by the oil and automobile industries, beginning in the 1930s, to limit public transit, pour billions of public dollars into building roads, enforce zoning restrictions and building programs that encouraged urban sprawl – and at the same to promote the car as the quintessential symbol of success, freedom and modernity.

> “Journalists never tire of pointing to the love of the automobile in the United States. But such ‘love’ is more often than not a kind of desperation in the face of extremely narrow options. The ways in which cars, roads, public transports systems (often notable by their absence), unban centers, suburbs, and malls have been constructed mean that people often have virtually no choice but to drive if they are to work and live.”[17]

There is even less choice when it comes to oil – it is so pervasive in every aspect of production and distribution that one analyst has justly called it “the stuff without which nothing else happens.” [18]

Indeed, it’s nearly impossible to buy a household product that isn’t partially or completely made from oil-derived chemicals. These are just a few examples:

Ammonia, Anesthetics, Antifreeze, Antihistamines, Antiseptics, Artificial limbs, Artificial Turf, Aspirin, Awnings, Balloons, Ballpoint Pens, Bandages, Basketballs, Bearing Grease, Boats, Cameras, Candles, Car Enamel, Cassettes, Caulking, CDs & DVDs, Clothes, Cold cream, Combs, Cortisone, Crayons, Curtains, Dashboards, Denture Adhesive, Dentures, Deodorant, Detergents, Dice, Diesel fuel, Dishes, Dresses, Drinking Cups, Dyes, Electric Blankets, Electrician's Tape, Enamel, Epoxy, Eyeglasses, Fan Belts, Faucet Washers, Fertilizers, Fishing Boots, Fishing lures, Fishing Rods, Floor Wax, Folding Doors, Food Preservatives, Footballs, Glycerin, Golf Bags, Golf Balls, Guitar Strings, Hair Coloring, Hair Curlers, Hand Lotion, Heart Valves, House Paint, Ice Chests, Ice Cube Trays, Ink, Insect Repellent, Insecticides, Life Jackets, Linings, Linoleum, Lipstick, Luggage, Model Cars, Mops, Motor Oil, Nail Polish, Nylon Rope, Oil Filters, Paint, Paint Brushes, Paint Rollers, Panty Hose, Parachutes, Percolators, Perfumes, Petroleum Jelly, Pillows, Plastic Wood, Purses, Putty, Refrigerant, Roller Skates, Roofing, Rubber Cement, Rubbing Alcohol, Safety Glasses, Shag Rugs, Shampoo, Shaving Cream, Shoe Polish, Shoes, Shower Curtains, Skis, Soap, Solvents, Speakers, Sports Car Bodies, Sun Glasses, Surf Boards, Sweaters, Synthetic Rubber, Telephones, Tennis Rackets, Tents, Tires, Toilet Seats, Tool Boxes, Tool Racks, Toothbrushes, Toothpaste, Transparent Tape, Trash Bags, TV Cabinets, Umbrellas, Upholstery, Vaporizers, Vitamin Capsules, Water Pipes, Wheels, Yarn [19]

That's not to say that people shouldn't conserve, shouldn't try to be as green as possible. Of course we should. But only radical social and economic change can possibly free us from dependence on oil. That choice isn't available in the market.

4. Consumers don't control production

In his article blaming consumers for the BP oil spill, Dave Chameides (who calls himself "Sustainable Dave") recommends remedial action: "Stop driving your car one day a week … Ride your bike."

That's a good idea … but bear in mind that your bicycle's tires, brake pads, handle grips, cable sheaths, lubricant, paint and other components are all made from oil. The metal was smelted, and the frame was formed and assembled, in factories that depend on oil. The finished bike was delivered to the shop in a diesel-powered truck driving on asphalt (oil again) roads.

The point, as environmental sociologist Alan Schnaiberg and his colleagues point out, is that even though consumers may decide what to buy from among the products that capitalists put on offer, they don't get to choose how those products are made.

> "While individual consumers may be the ultimate purchasers of some of the products of the new technologies, decisions about the allocation of technologies is the realm of production managers and owners. … [I]t is within the production process where the initial interaction of social systems with ecosystems occurs and where the key decisions about the nature of social system-ecosystem relationships are made…..
>
> "The decision of which alternative forms of production will be offered consumers is not in their hands. It remains in the hands of a small minority of powerful individuals … who are empowered by their access to production capital. It is in those decisions where social systems (the producers' access to

> capital and labor, and their assessment of potential liability, profitability, and marketability) and ecosystems (the producers' access to natural resource inputs and ecosystem waste sinks) first interact." [20]

Michael Dawson makes a similar point:

> "Ordinary product users remain shut out of major economic decisions. Corporations plan, design, and sell goods and services according to their own profit requirements, without providing any means of subjecting basic productive priorities to popular debate and vote." [21]

Even if we accept the farfetched idea that oil companies drill new wells only to please consumers, no one can reasonably suggest that consumers somehow forced BP to cut every possible corner, suborn regulators, violate safety guidelines, and worse. Those decisions were made in BP's executive offices, and consumers had no say.

"In the end," writes environmental policy professor Thomas Princen, "the idea of consumer sovereignty doesn't add up. It is a myth convenient for those who would locate responsibility for social and environmental problems on the backs of consumers, absolving those who truly have market power and who write the rules of the game and who benefit the most."[22]

Blaming Individuals for Capitalist Destruction

If the idea that consumers are in charge makes little sense for the capitalist economy as a whole, it is completely absurd for the oil industry. As *New York Times* columnist Bob Herbert points out, working people simply don't count in this system:

> "The fact that 11 human beings were killed in the Deepwater Horizon explosion (their bodies never found) has become, at best, an afterthought. BP counts its profits in the billions, and, therefore, it's important. The 11 men working on the rig were no more important in the current American scheme of things than the oystermen losing their livelihoods along the gulf, or the wildlife doomed to die in an environment fouled by BP's oil, or the waters that will be left unfit for ordinary families to swim and boat in.
>
> "This is the bitter reality of the American present, a period in which big business has cemented an unholy alliance with big government against the interests of ordinary Americans, who, of course, are the great majority of Americans. The great majority of Americans no longer matter."[23]

Nevertheless, as Michael Dawson writes, whenever mainstream thinkers comment on today's social ills, they always "blame the little folk"

> "Ordinary product users, who, because their purchases can be used to accuse them of choosing what they get, usually take all the transferred blame for capitalists' costly, socially irrational actions." [24]

It's true that producers must sell their products, but the idea that consumers therefore control corporate behaviour is ideology, not fact. Immensely wealthy corporations decide what to produce and how to produce it. They spend billions to promote specific products and to protect their power. They allow us to choose – but only among the narrow range of options that they believe will be profitable.

In the Gulf, BP did what every capitalist corporation does – it kept costs down to keep profits up. Its irresponsible actions were bound to cause a disaster eventually – but if the company had lucked out this time, if the explosion hadn't happened, BP's executives and shareholders would have been rewarded for producing offshore oil more cheaply than more cautious competitors. That's the way capitalism works.

The immediate cause of this particular disaster was BP's greed for short-term profits. The long-term cause, of this and many other disasters, is an irrational grow-or-die economic system that is totally dependent on oil, on "the stuff without which nothing else happens." A system in which private profit always takes precedence over the environment and human lives.

The journalists, pale greens and others who blame individual consumers are trivializing the problem and distracting attention from the social roots of environmental destruction. No matter how sincere they may be, they are making it harder to achieve real solutions.

This article was first published in Climate and Capitalism,1 an online journal focusing on capitalism, climate change, and the ecosocialist alternative which is edited by Ian Angus.

Related *Climate & Capitalism* articles

- Conspicuous consumption and destructive wealth: The case of Ira Rennert2
- Murray Bookchin on Growth and Consumerism3
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- Barry Commoner: The Illusion of Consumer Sovereignty6

Notes

[1] Dave Chameides. "Who's Really to Blame for the BP Oil Spill? We Are."7 *Care2*, May 12, 2010.

[2] Mark Coeckelbergh. "We're all to blame for the oil spill.8" *Guardian*. June 9, 2010.

[3] Some other examples:

- Who's To Blame For The BP Disaster?9
- The Bp Oil Spill: Who's to Blame?10 (See comment by 'Martin Smith')
- The Oil spill.....who's to blame? 11
- BP oil spill – who's to blame?12
- Breaking Down the BP Gulf Spill Blame Game13

[4] Al Gore. *An Inconvenient Truth*. New York: Rodale, 2006. p. 305

[5] Mark Perry. "Consumer, Not Corporate, 'Greed' Is Ultimately Behind Layoffs." 14*Macinac Center for Public Policy*, January 7, 2002.

[6] Ludwig von Mises. *Socialism: An Economic and Sociological Analysis*. New Haven: Yale

University Press, 1951. p. 21

[7] James Gustave Speth. *The Bridge at the Edge of the World*. New Haven: Yale University Press, 2008. p. 62

[8] Douglas Dowd. *Inequality and the Global Economic Crisis*. London: Pluto Press, 2009. p. 59

[9] Michael Lowy. "Advertising Is a 'Serious Health Threat' – to the Environment." *Monthly Review*, January 2010. p. 20-21

[10] Michael Dawson. *The Consumer Trap: Big Business Marketing in American Life*. Chicago: University of Illinois Press, 2005. p. 1, 134. See also Dawson's excellent website with the same name.15

[11] John Kenneth Galbraith. *The Essential Galbraith*. New York: Houghton Mifflin Harcourt, 2001. p. 35,

[12] James B. Davies, Susanna Sandstrom, Anthony Shorrocks, and Edward N. Wolf. "The World Distribution of Household Wealth16." United Nations University World Institute for Development Economics Research, February 2008. p. 7

[13] Calculation courtesy of Dick Nichols. The eleven are the ten men and one woman from Australia on the *Forbes* magazine list of the world's billionaires. The 800,000 households are the poorest decile (10%) according to the Australian Bureau of Statistics.

[14] Jonathon Freedman. "Don't Be Fooled by Europe's Mood."17 *The Guardian*, May 9, 2007.

[15] Eric Toussaint. *Your Money Or Your Life: The Tyranny of Global Finance*. Chicago: Haymarket Books, 2005. p. 34.

[16] Dawson. *The Consumer Tra*p. p. 144.

[17] John Bellamy Foster. *Ecology Against Capitalism*. New York: Monthly Review Press, 2002. p. 101

[18] David Strahan. *The Last Oil Shock*. London: John Murray, 2007. p. 116.

[19] based on http://www.ranken-energy.com/Products%20from%20Petroleum.htm18

[20] Kenneth A. Gould, David N. Pellow, and Allan Schnaiberg. *The Treadmill of Production: Injustice and Unsustainability in the Global Economy*. Paradigm Publishers, Boulder, 2008. p. 20, 22

[21] Dawson. *The Consumer Trap*. P. 144.

[22] Thomas Princen. "Consumer Sovereignty and Sacrifice: Two Insidious Concepts in the Expansionist Consumer Economy." In Michael Maniates and John M. Meyer, editors, *The Environmental Politics of Sacrifice.* Cambridge: MIT Press, 2010. p. 152

[23] Bob Herbert. "More Than Just an Oil Spill."19 *New York Times*, May 21, 2010.

[24] Dawson. *The Consumer Trap*. p. 144.
