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**“Why Selfish Capitalism Causes
Increased Mental Illness”**

Oliver James

Clinical psychologist, writer and television documentary
producer and author of both ‘Affluenza’ and ‘The Selfish Capitalist’

Overview: By placing too high a value on the material aspects of life, English speaking nations put themselves at twice the risk of mental disorder over their mainland European counterparts. This overemphasis on materialism has its roots in the ideologies and policies of the Thatcher administration in the UK and the Reagan administration in the USA. Through placing an over-emphasis on materialism, these perspectives led to people spending less time on meeting fundamental human needs, resulting in increased mental disorder. A greater focus on other aspects of life is needed to restore the balance.

Key ideas:

Affluenza: a name devised by Oliver James to succinctly describe an over-emphasis on the material aspects of life, which he found to be particularly prevalent in English speaking countries. Its characteristics include placing high value on money, possessions, appearances and fame, to the detriment of other human qualities.

Selfish Capitalism: a phrase coined by Oliver James to summarise the system characteristics which lead to Affluenza. It includes over concentration on short term share price as the value of business, insecure employment, privatisation and a belief that the market can meet all human need.

During his lecture Oliver James referenced a number of authors, these were:

Tim Kasser, *The High Price of Materialism*, 2002

Erich Fromm, *To Have or to Be*, 1976

Will Hutton, *The World We're In 2002; The State We're In*, 1995

David Harvey, *A Short History of Neo-liberalism*, 2005

Massimo Florio, *The Great Divestiture: Evaluating the Welfare Impact of the British Privatisations 1979-1997*, 2004

Larry Elliot, & Dan Atkinson, “*The Gods of Greed*”, *The Guardian*, June 2, 2008

Summary

He started by using two studies to corroborate his claim. The first was a well conducted cross national study of the prevalence of mental illness¹. This shows, when combined with other similar studies, that in the English speaking countries in the study (which included UK, USA, New Zealand and Australia) 23% of the population were found to have suffered mental disorder in the previous twelve months. In the mainland European countries (which included Germany, Italy, Belgium, Holland, Spain and France) the equivalent figure was 11.5%. On average, people in English speaking nations were twice as likely to experience mental illness.

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The second source was a series of studies which suggest that incidence of mental illness had significantly increased in the USA, UK and Australia since 1979².

He argued that too strong a focus on materialism fostered by successive administrations, in English speaking nations, and in the UK and the USA particularly, since the late 1970's had interfered with the meeting of fundamental psychological needs. These needs include: security, community connections, the forming of intimate relationships and networks, feeling effective, autonomy and authenticity. A society and its members having over valued money, possessions, appearances, fame and celebrity is likely to have less time for other human pursuits. This places such societies and their members at greater risk of mental illness. Such material emphasis has been more fully adopted by English speaking than other nations, leading to more mental illness there. Referencing Erich Fromm, he suggested that it was more healthy to be than to have.

He then went to describe the characteristics of such "Selfish Capitalism" which "drive us mad".

These are:

Expressing the value of a business through its short term share price.

This had the effect of making businesses themselves commodities whose responsibility is to shareholders. Directors were motivated by share options and indeed in 2001 13% of all shares traded in the USA were traded by directors (up from 2% in 1990). This had the effect of increasing the wealth among the already wealthy – a trickle up of income rather than the promised trickle down. By contrast there has been no increase in the real hourly wage rate since the late 1970s. Increases in household income have come from dual income households, with the average number of hours increasing from 42 per person per week to 56 in the same period. This implies a significant transfer of wealth to the already affluent. Citing John Harvey, he said that this transfer was bolstered by \$900 million yearly expenditure by some of the USA's most wealthy citizens and the establishment of institutes which presented the ideology as science.

Furthermore, the USA spends four times as much – and the UK twice as much – as mainland European countries on marketing. He suggested that this helped to maintain an additional emphasis on material life, contributing to poorer mental life. For example he suggested that a range of studies had shown a link between marketing and eating disorders. In Fiji, bulimia was unknown before the introduction of television. Within three years of television being introduced to the island, 16% of women were experiencing the disease. He further cited a study by Kendrick which showed that both men and women were less satisfied with their own partners, than a control group, having been shown photos of attractive men and women. The underlying message of much of this marketing is that only money and paid work is valuable and getting materially rich is the only point of life.

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Insecure employment

This manifests itself in a range of ways, the most prevalent of which is the short term contract. James suggested that careers in which fear of losing one's job, or missing out on the material goods which careers can buy, meant that many more people were spending longer hours and working lives doing jobs they were more uninterested in. The move to short-term contracts was accompanied by the idea of increased opportunity (associated with movement and variety). However, trend analysis suggests that more people were upwardly mobile in the 1970's than in the 1990's

Privatisation

This process of transferring assets from the public to the private sector was suggested as a way of making the services more effective and efficient, alongside the belief that the market can meet all human needs

Oliver James suggested, citing Florio, that in the UK, public assets were sold at vastly under valued prices placing public assets into the hands of a few private owners at a fraction of their true value. He compared the UK handling of oil revenues to those in Norway. In the former the revenue found its way largely into private hands. In the latter a public trust fund was established which stands today at £107 billion.

To these issues he added the idea that the emancipation of women had been "hijacked" by what he called "men in skirts" feminism. By this he meant that instead of valuing roles often played by women – e.g. caring for children – more highly, the idea had been perpetrated that the best way for women to express their identity is through work. Feminism had started as a movement which principally argued that men needed to change and has become one in which both women and men have ended up in a vicious cycle. Both women and men are in the labour market working longer hours to pursue consumption with no real increase in wages.

In addition to working more in the labour market, women also still carry most of the weight of domestic work. Consequently, women are experiencing increased rates of mental illness, twice that of men, especially when young. James contrasted this with the situation in Denmark, where even the most senior workers stick to shorter working hours, since the expectation is that they will share in domestic work such as childrearing.

In contrast, domestic life in the UK has been contracted out. He suggested this was somewhat ironic – women going out to work for low wages so that low paid women could come and look after their children. To have this as a policy aim is misguided. Furthermore, the trend is happening even though 80% of parents say that they would like to spend more time with their children. Between 1979 and 1981, the percentage of children living in poverty rose from 19% to 31%. This disappointing trend has not been sufficiently addressed by subsequent policies or administrations.

He stated that he found alternative explanations – such as individualism and the decline of religion unconvincing.

In searching for ways to improve the situation he suggested that 19th and 20th Century thinkers such as Durkheim, Freud, Darwin and Marx did not help much since they provided no description of how the situation could be better.

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In concluding he suggested that the Great Challenge is to ask “What would contribute to a psychologically mature, alive and playful, happy and good, life or society?”

He suggested two starting points at a collective level. Firstly, a redistribution of wealth was necessary and Larry Elliot’s article in a recent Guardian made some good suggestions in this respect. The wealth thus generated should be used to support parents to meet the needs of children’s early years. Secondly, a reinvigoration of public goods and the public good rather than private goods for a few was necessary.

At the level of individual we should seek to develop people who are playful rather than game playing, authentic rather than sincere, vivacious rather than hyperactive, emotionally mature rather than mentally ill or merely healthy.

Actions should not be about pleasing the audience. Actions should come from intrinsic motivation since it is from this, rather than from material goods alone, that lasting pleasure and a good life come.

Notes:

1 Demythenaere, K et al, 2004, “*Prevalence, severity and unmet need of mental disorders in the WHO World Mental Health Surveys*”, Journal of the American Medical Association, 291, pp2581-90

2 Swindle, R et al, 2000, “*Responses to nervous breakdowns in America over a forty year period: mental health policy implications*”, American Psychologist, 55, pp740-49

Ferri, E. et al, 2003, “*Changing Britain, Changing Lives*”, London: Institute of Education

Australian Bureau of Statistics, 2003, “*K10 ranges to approximate levels of psychological distress*”, in “*The use of Kessler Psychological Distress Scale in ABS Health Surveys*”, Section 3.1 catalogue no. 4817.0.55.001, Canberra, Australian Bureau of Statistics

The views expressed in this paper are those of the speaker and do not necessarily reflect the views of the Glasgow Centre for Population Health.

Summary prepared by the Glasgow Centre for Population Health.