

# James O'Connor: Selling Nature

Let's start by posing a couple of questions. First, what is humanity's relationship to nature? Second, what is capitalism? If you stop and think about it, there is something odd about the first question. At first glance it appears to be similar to asking "what is your relationship to your car?" This is a question we might ask of somebody who spends too much time customizing his or her car. And the question is reasonable. But what I want you to see is that the question is reasonable not only because of a value system, but also because the car exists apart from the person.

In order to ask about the *relationship*, we have to first assume that the two are intrinsically separate. We wouldn't, for example, ask what somebody's relationship to their hand is. We might ask why they tattooed their hand or why they wear so many rings, but we wouldn't (and almost couldn't) form the question in terms of a relationship: relationships can only exist between two separate entities. That's why the first question is odd: to ask the question we must first assume that nature and humanity are different entities.

Our second question isn't really odd, but it is one that many people in Western society don't think about. Or, at least, they don't think about the ramifications of the character of capitalism. The basic definition of capitalism is the use of capital to obtain profit, the bulk of which is reinvested to obtain more capital.

Now, let's pose a third question: what is intrinsic to capitalism that determines a particular kind of relationship between capitalism and nature? This is James O'Connor's question. To get to his answer, we must initially consider our first question: what is humanity's relationship to nature?

The basic (and not very well publicized) fact is that by its nature, capital is bad at preserving things, whether the social well-being of people, land, community values, urban amenities, rural life, nature, or private fixed capital, including structures. (O'Connor, 1998, p. 317)

## The Subjugation of Nature

The current version of capitalism, and of course modernity, had its beginnings in the Enlightenment. O'Connor points to one particular feature of this time period as important: the conceptualization of nature. Let's begin with work of René Descartes. Descartes wanted to change the structure of philosophy. He began by making skepticism and doubt central to philosophic inquiry. To get to the basic issues, Descartes doubted all that could be doubted. In other words, doubt everything and whatever is left is the foundation of philosophy and life. Where Descartes ended up is famous: "I think

therefore I am.” The only thing that he could not doubt was his own awareness. But thinking originates somewhere. For Descartes, the origin of thought is the soul or mind. The one certainty of mental thought led to the Cartesian dualism between the mind and body. Descartes argued that the mind and body exist differently; that is, they are two different classes of substances, kind of like oil and water. And like oil and water, they are utterly separate; the body exists in space but mental properties do not.

This idea of dualism had profound effects on Western thought, especially occurring as it did during the Enlightenment. One of the most important distinctions the idea helped to validate is the separation of human beings from nature. Other cultures at other times have seen humankind as part of nature; everything existing holistically. A good example of this idea of nature is found in a quote from Geronimo, the Apache leader:

For each tribe of men Usen [God] created, He also made a home. In the land for any particular tribe He placed whatever would be best for the welfare of that tribe .... thus it was in the beginning: the Apaches and their homes each created for the other by Usen himself. When they are taken from these homes they sicken and die. (as quoted in Miller, 1996, p. 286)

In this quote we can see an intrinsic link between the Apache people and the land. They were created for each other. The bond between the two was so strong that when they were forced from their land the life of the Apache drained from them like life's blood. While what I just said is correct, it isn't quite accurate. There was no *bond between the two* because there were not two separate entities; they were one. However, because of the way our thought has been programmed in Western society, it's easier for our minds to grasp the Apache idea of people and land if we think of it as a bond between two separate things, though they were but one.

Other ideas were also necessary for us to conceive of nature as an object outside of which we stand and control. For example, Nicolaus Copernicus decentered humanity from the scheme of all things, by arguing that the sun, not the earth, is the center of the solar system, and he gave us the idea that the universe runs like a clock according to laws that are independent of human beings. Nature, then, became a collection of objects, lifeless things to be controlled and used for the sake of humanity. Human beings stand outside of nature, above it, controlling it. Conceptually separating people from the earth allows us to see the earth as an object to be used. O'Connor (1998) gives us a quote from Philip Gagliardi, previous Canadian cabinet member: “Those trees weren't put there by God to be praised, they were put there to be chopped down” (p. 21).

In decentering humanity from the purpose of the universe, we reduced the material universe to raw resources that exist for the life and enjoyment of humanity. These ideas are the foundation of science, but, more importantly for O'Connor, they are the touchstone of capitalism. Capitalism is based on private ownership and commodification. It was thus necessary for land to become a thing—a commodity—that can be owned, used, bought, and sold. People who are separate from the earth are people who can “own” or not own land or other capital. Separated from land, individuals become dependent upon their labor alone; they become themselves commodities bought and sold on the labor market. And, the conceptualization of nature as an object separate from humankind opened the possibility of ecologically harmful methods of capitalist production.

## The Second Contradiction of Capitalism

O'Connor takes a Marxian approach to understanding capitalism. Marx based his analysis of capitalism on dialectical elements. This means that a Marxian approach will look for contradictions within the capitalist system itself that will bring about change. Marx and Engels (1848/1978) said, "The development of Modern Industry, therefore, cuts from under its feet the very foundation on which the bourgeoisie produces and appropriates products. What the bourgeoisie, therefore, produces, above all, is its own grave-diggers" (p. 483). O'Connor's approach, then, is to look for those features of capitalism that impact the natural environment in such a way that capitalism hurries its own end.

The first contradiction of capitalism is overproduction. Due to the drive for profit, capitalism is founded on the relentless expansion of markets, commodification, and production. This foundation inevitably leads to overproduction (more supply than demand) and economic downturns. O'Connor argues that capitalism contains a second contradiction that is based on the conditions of production rather than the means of production. This contradiction is called underproduction. While overproduction occurs because of exchange-value, underproduction is more clearly associated with use-value.

Use-value refers to the value of an item that is consumed in its use. For example, the use-value of your car is the number of miles you can drive it before it no longer can function as a car. Exchange-value refers to the value of a commodity in a market. We usually think of exchange-value in terms of cost; that is, the money we spend to purchase an item.

There is a kind of hierarchy of abstraction in capitalist economies. At the highest level of abstraction are such things as money and stock markets. These speculative markets are driven almost exclusively by exchange-value. Next would be commodities that have some use-value in addition to exchange-value, such as consumer goods. At the low end of abstraction, we find things that are almost entirely defined in terms of use-value, such as the markets for raw materials and waste disposal. While there is obvious exchange-value in a raw material such as oil, its exchange-value is overshadowed by its pure use-value—fossil fuels are depleted in their use; and since they are created over millions of years, they are non-renewable in the lifespan of humanity. Use-value products, like raw materials and disposal sites, constitute the *conditions of production*: the most fundamental things needed in order for production to take place—the ecosystems and health level of the human labor force. Because these issues are limited by use-value, they constitute the ultimate reality of capitalism. "The closer we get to use-value theoretically, the closer we get to real places and real, live people practically" (O'Connor, 1998, p. 128).

With overproduction, the crisis comes from the demand side of the production equation; with underproduction, the crisis comes from the supply side. The supply side of capitalism entrails the ecosystems from which raw materials are taken and toxins dumped, the mental and physical well-being of the labor force, which is influenced by the state of the ecosystem, and the state supplied infrastructure. *Underproduction* occurs, then, when capitalist firms and states fail to renew or protect the conditions of production; the conditions of production are thus underproduced. The contradiction is that capitalist firms and states are intrinsically motivated by the drive for accumulation to minimize such costs as worker welfare and ecological protection.

Underproduction facilitates cost-side crises in two ways. The first way underproduction can precipitate crisis is when capitalist firms use profit strategies that fail to "maintain over time the material and social conditions of their own production, for example, by neglecting work conditions ... degrading soils ... or turning their backs on decaying urban infrastructures" (p. 242).

Let's focus on O'Connor's primary concern, the ecology, and look at some examples of this kind of cost externalization. In 1981, the RSR Corporation, a U.S. Dallas based recycling firm, began dumping lead sulfate near Tijuana, Mexico. Eventually, 80,000 tons of the toxic waste had been dumped in open fields near a local dairy. In 1992, the Mexican government forced RSR to suspend operations. Here's another example, this time of an American city, Philadelphia. Beginning in the 1970s, Philadelphia began dumping its toxic ash in a landfill in New Jersey. In 1984 New Jersey began refusing Philadelphia's waste. So, Philadelphia relocated its dumping activities to Panama. The first year's shipment of 450,000 tons of waste contained significant levels of arsenic, cadmium, lead, and dioxin; more dioxin, in fact, than the ground at Times Beach, Missouri contained when its citizens were evacuated in 1983 due to the contamination.

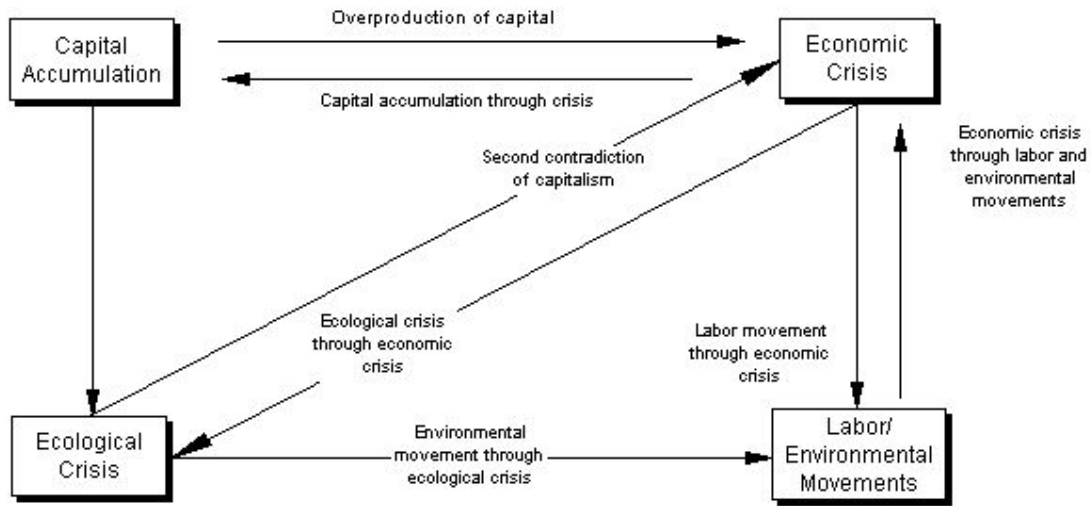
The pattern in both of these examples is the same: externalizing costs by pushing the costs onto people not at all associated with the production process, let alone the profits generated by those costs. These are not isolated examples. Reporting on a preliminary investigation by the United Nations Commission on Human Rights, an article in the *New York Times* names the United States as one of the top five largest exporters of toxic waste with about half of the total U.S. export of toxins going to Latin American countries and the majority of the other half going to Africa (Olson, 1998, April 5).

Thus, capitalists are driven to externalize costs in order to accumulate, but in not caring for the environment and worker health, they ultimately destroy the foundation upon which production and accumulation is based upon. The insidious danger in this kind of cost externalization is that the costs cannot be entirely known, even if someone were so inclined to want to know them. As Ulrich Beck (1986/1992) notes, those affected by the costs of such externalization "even include those not yet alive at the time or in the place where the accident occurred but born years later and long distances away. ... [I]n the risk society the unknown and unintended consequences come to be a dominant force in history and society" (p. 22). There are occasions when legal cases bring some but not all of the cost back to the firm, but in the total scheme this is rare; and, as Beck's quote indicates, always insufficient.

Additionally, the situation is exacerbated because it is not in the nature of capitalism to willingly take on costs. It is in the nature of capitalism to accumulate without end. "*There is no profit in maintenance of preservation, or actions taken, and resources expended, to prevent bad things from happening that would otherwise occur. The profit is in expansion, accumulation, and marketing something old or new at lower costs*" (O'Connor, 1998, p. 317, emphasis original). Thus, capitalist firms must be forced by the state to take responsibility. The problem, of course, is that the state is itself capitalist, as our Philadelphia example indicates. So, the state must be forced to take action.

This brings us to the second method through which underproduction brings about a crisis: the creation of social movements. In terms of social change, the traditional Marxian model is direct. That is, social change occurs through revolution, and revolution comes about because of class-consciousness. Marx argued that the contradictions of capitalism, most notably overproduction, would centralize capital into fewer hands, increase the size of the working class, along with levels of alienation and exploitation, all of which would result in collective consciousness and worker revolution. In brief, we can state this causal stream like this: accumulation → overproduction → recurring economic crises → worker revolution. With his notion of underproduction, O'Connor adds an entire other half to the model. I've duplicated his model in Figure O.1.

Figure 0.1: O'Connor's Crisis Typology



Taken from O'Connor, 1998, p. 184

As you can see, the top part of the model is from Marx: capital accumulation leads to overproduction and an economic crisis. Capital accumulation increases as a result of this crisis, as capital is centralized into fewer hands. The economic crisis also produces labor movements, which push for a larger share of the surplus labor. Capital accumulation also brings about ecological crisis. This second contradiction of capitalism can worsen an economic crisis by increasing the payout by governments and lessening firms' externalized costs thus reducing profits. Ecological crises create environmental movements that together with labor movements place increasing demands on the use of surplus-labor (shifts from capitalist profit to worker benefits (wages, health care) and environmental protection, cleanup, and renewal), which facilitates and deepens the capitalist economic crisis.

There are two final things to bring out about O'Connor's theory. First, as his model indicates, he argues that worker and environmental movements will or should unite. In democratic politics this is called a red-green alliance. Green parties are those groups that are politically active in trying to improve the environment; one such group is Greenpeace International. Red parties are socialist or social democratic parties. There are socialist parties in almost every nation, as well as a worldwide socialist movement (see <http://www.worldsocialism.org/>). The socialists make the case that capitalism creates severe social and economic inequality; and the green parties argue that capitalism exploits and destroys the environment. There are several countries where such red-green alliances have taken place; among them are Germany, Italy, France, Finland, and Belgium, and the trend seems to be increasing.

The second concluding point is that O'Connor has a specific suggestion for the red-green alliance. O'Connor's (1998) approach focuses on what he calls "social-supply-side economics" (p. 314). This perspective recognizes that the capitalist world economy is not something that is capable of perpetual growth. In fact, because of its inherent contradictions, capitalism frequently destroys more than it builds, and one of the main

reasons it has survived this long has been the ability to expand and use distant geographic locations and peoples. These are not limitless resources and O'Connor's proposal is based on that recognition, as well as the recognition that capitalism by its very nature is inherently weak when it comes to preserving or maintaining its own conditions of production.

There is little doubt, I think, that capitalism has improved the living conditions of technologically advanced societies almost without measure. We have come further faster than would probably be possible under any other economic system. The continuing expansion of the array of available products is dizzying, the achievements of modern medicine that have been financed by capitalist enterprise are indeed miraculous, and the overall annual salary of the populations living in successful capitalist countries has increased significantly through the "trickle down effect."

However, O'Connor's point is that there are long term costs involved that we have just begun to calculate, and it is unreasonable to expect that capitalist firms would make decisions that would privilege the environment, underdeveloped nations, or workers. It is not in the nature of the beast. The inverse is more realistic: we can reasonably expect capitalist firms and such global organizations as the World Trade Organization (WTO) to make decisions that favor privileged, powerful nations and that put economic concerns over environmental and humanitarian issues.

The philosophy of capitalism is at odds with such humanitarian concerns as the poor or the environment. Capitalism is defined and driven by profit. The profit motivation is intrinsic to capitalism; without it capitalism would perish. We don't need to see this value for profit as bad in-and-of-itself. It simply is. Profit is accrued through expanding markets and increasing commodification, both of which are objectifying and amoral. Again, these characteristics are not inherently bad. We ought to expect capitalist organizations, like the WTO, to be oriented toward maximizing profit through expanding markets and commodification; and we ought to expect capitalist organizations to be objectifying, amoral, and driven by bottom-line considerations.

Contemporary examples abound: European and North American countries dumping toxic waste in periphery countries at a fraction of the cost; Union Carbide's use of less stringent safety measures at its plants in Bhopal, India than in the U.S. (which, to date, has resulted in 22,000 deaths, 120,000 people with long-term health issues, of those 50,000 workers still too sick to work); pharmaceutical companies continuing to sell contraceptive devices and medications in periphery nations when they have been banned in the U.S.; American cigarette companies increasing exportation of cigarettes to periphery nations despite and because of continuing negative research, legislation, and public protest in the U.S. (U.S. exportation of cigarettes jumped up 22% in one year, 1994 and 1995; and the British-American Tobacco Co. is the fourth largest advertiser in Kenya, despite having no competition); giving away baby formula to mothers in periphery nations just long enough for them to stop lactating; the use of "mothercraft" nurses to teach mothers how to care for babies when in reality the "nurses" were salespeople working on commission; the initial refusal of drug companies with the full support of the American government to make HIV drugs available to South African victims; the list is endless.

When trade is *ideologically conceptualized as free*, as capitalist organizations and states do, then definitive action oriented toward the production process or its effects (any possible environmental problems, poverty, illness, or death) is conceptualized as interference. In every historical case, absolutely free capitalism has had to be reigned in by a government responding to an active citizenry. O'Connor argues we can do better by understanding both the power and limitations of capitalism. We can't expect a capitalist

organization to take moral responsibility for “issues like child labor, worker safety, the right to form a union, and environmental and animal welfare protection” (Singer, 2002, p. 92). It isn't in the nature of capitalism to do so.

O'Connor's alternative to this accumulation driven capitalism puts preservation first (he calls it “Preservation First!” or PF!) and acknowledges social-supply-side economics. In place of capitalist investment of human, financial, and material capital in production for the purpose of profit, he advocates that we switch our view. Business should be engaged in order “to preserve, defend, and enhance the conditions of *life and life itself*” (O'Connor, 1998, p. 316, emphasis original). Such a business, one oriented toward enhancing and protecting the conditions of life generally, will by definition not be subject to the contradictions of capitalism. O'Connor wants us to move from a community of consumers to a community of conservers. He implores us to become involved in struggles that “keep certain indispensable human possibilities open; to preserve nature means to preserve struggles to defend natures; to preserve community means to preserve community struggles” (p. 319).

In sum, PF! is labor-intensive, not labor-spurning (as is capitalist production). It is governed by egalitarian principles and by a sociopolitical logic rather than by purely economic logic. “Labor” ceases to mean the valorization of capital ( i.e., increase the value of capital via the production of surplus value), and instead the “valorization” of community, environment, and social life generally. (O'Connor, 1998, p. 322)

## Summary

- O'Connor's work involves what he terms the second contradiction of capitalism. The first contradiction is overproduction; the second contradiction is underproduction. Overproduction concerns exchange-value and commodities; underproduction concerns use-value and the conditions of production.
- The conditions of production include the ecosystems and health level of the human labor force. Both of these are limited by use-value: there is a point of no-return in their use. The term underproduction implies that capitalism inherently tends to not replenish or rebuild its conditions of production.
- Like overproduction, underproduction is based on an intrinsic feature of capitalism; in this case the object—subject divide in Western philosophy. The ability to objectify the resources of the earth, such as land, is the basis of private property; and private property is the foundation of capitalism. Objectifying nature allows capitalists to think of natural resources as things toward which they have no relationship or responsibility.
- Further, accumulation in capitalism is dependent upon externalizing costs. Apart from cost externalization, accumulation could not continue to expand. Capitalists are thus motivated to push and defer costs, either by allowing the state to pick them up or by not investing in long-term management of the environment.
- Underproduction precipitates ecological crises; and ecological crises tend to create social movements. O'Connor thus argues that capitalism contains two contradictions that will eventually lead to its downfall. Overproduction leads to economic crises, which lead to labor movements; underproduction leads to ecological crises, which lead to environmental movements. Both place increasing demands on the use of profit (shifts from capitalist profit to worker benefits

(wages, health care) and environmental protection, cleanup, and renewal), which facilitates and deepens the capitalist economic crisis.

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