

CHAPTER 13

The Two Cultures of the Twenty-First Century

Recently, when I was traveling to Rajasthan's capital, Jaipur, in Western India, for a public hearing on drought and famine . . . we were served bottled water, where Pepsi's water line Aquafina was the brand of choice. On the streets of Jaipur . . . at the peak of drought, small thatched huts called *Jal Mandirs* (water temples) were put up to give water from earthen water pots as a free gift to the thirsty. *Jal Mandirs* are a part of an ancient tradition of setting up *Piyaas*, free water stands in public areas. This was a clash between two cultures: a culture that sees water as sacred and treats its provision as a duty for the preservation of life and another that sees water as a commodity, and its ownership and trade as fundamental corporate rights.

—VANDANA SHIVA, *Water Wars*¹

THE GREAT DIVIDE and the looming struggle of the twenty-first century is between two cultures, which, with Vandana Shiva in mind, we call the *private profit culture* and the *public good culture*. What does it mean for our lives when these two cultures have become so unbalanced that one of them, the private profit culture, is increasingly encroaching on the other?

There are basic things all people must have to sustain life before talk of liberty and the pursuit of happiness can have any real meaning. When these basics are taken over by corporations driven by the need to make private profits, the public good itself becomes just something else to put up for sale. And when the public good is for sale, freedom is on the auction block with it. As the international

economist Amartya Sen says, "Sometimes the lack of substantive freedom relates directly to economic poverty. . . . In other cases, the *unfreedom links closely to the lack of public facilities and social care*, such as the absence of epidemiological programs, or of organized arrangements for health care or educational facilities, or of effective institutions for the maintenance of local peace and order." [italics added]

More vividly, the writer Wendell Barry says, "Rats and roaches live by competition under the law of supply and demand; it is the privilege of human beings to live under the laws of justice and mercy."³

Just so does the imperative to compete for ever larger profits lead to domination by a few huge economic players. Just so does the political choice made by free people to provide and protect the public goods of equality, justice, mercy, and freedom for all people fall prey to all-out economic competition. Little is then protected as essential, of worth beyond price, sacred—from water and other gifts of nature, to help when we need it most, to art and poetry, to the teachings of most if not all of the world's religions.

But the profit-making culture tells us that a competitive economic system driven by an unending, ever-escalating quest for wealth is good for us—for all of us—because profit-making "grows the economy," and a growing economy means more jobs and so more money in more pockets. A public good culture, by contrast, remembers that *even if* this economic agenda worked as promised, more jobs for more people with more money avails us naught when crops shrivel for lack of water, when we cannot drink the water we have, when drought and floods and famine are created and do their deadly work.

Because of the dominance of the private profit culture, such disasters are no longer to be blamed on Mother Nature alone. She still provides for us when we cooperate with her, but she also takes vengeance when we mess with her too much—a vengeance that falls first on the poorest and most vulnerable but eventually hits us all.

As Vandana Shiva writes:

The impact of climate on all forms of life is mediated through water in the form of floods, cyclones, heat waves, and droughts. Water fury can be tamed only if the atmospheric saturation by carbon dioxide is contained. While subverting international struggle to avert climate disaster makes economic sense for oil companies, it spells political and ecological disaster for much of the earth's community.⁴

The public good culture, which respects the earth and knows that its most essential gifts must be honored and shared for the survival of all, is not some leftover hippie, ecological fad indulged in by privileged people. It is based on scientific assessment of present pressing realities, and requires an open-eyed realism. The culture of the public good is also rooted in many traditions. It can be found among Hindus and Jews and Jains and Muslims and pantheists and animists and Christians, among scientists and poets and farmers and small business owners and corporate officers and workers and rich and poor. But around the globe, the public good culture is pitted now against the private profit culture.

The private profit culture too contains a diverse array of people. They believe that they are the realists, and that realism requires us to admit that only the market matters, that all things and all people have their price, that competition for profit and wealth and the power they confer is what makes the world turn and life worth the living of it. The profit-making culture holds that it is, and should be, the "free market" alone that can and will protect us from problems, and even disasters, caused by an unfettered economic system. But the free market has not stopped corporations, which in reality do not operate by the historic laws of the marketplace, from creating social and environmental problems. The free market, unchecked and unregulated, has time and again led to monopolies that choke off the competition that sometimes kept businesses subject to, and limited by, the law of supply and demand. That law

turned out not to be reliable: The growth of corporations has been neither limited nor balanced.

Small businesses, smaller corporations that limit themselves to what they were created to do, and that will not do *anything* to keep growing, are driven out of business. The divide between rich and poor widens still further, and with it the divide between the powerful and the powerless within and among nations. Essential resources become depleted, polluted, and, unleashed from the balances of a healthy environment, themselves wreak havoc.

Birds may not foul their own nest, but humans can, and do. Check the air pollution index in your area, and if you have a faucet, think about why it is that you are considering buying a water filter, or why you now feel the need to spend money to buy bottled water. And remember the people around the world who do not have faucets, cannot afford bottled water, and have nothing but polluted water where once it ran free, and clear.

The Private Profit Culture Versus the Public Good Culture

The public good culture in the West as in the rest of the world has many roots. Among these are philosophical as well as religious traditions that distinguish between quite different kinds of value, of worth.

In one of the ancient Greek philosopher Plato's dialogues, the main character, Socrates, is trying to help a young man sort out what makes something good. "Tell me," he asks, "this physician of whom you were just speaking, is he a moneymaker, an earner of fees, or a healer of the sick?"

Socrates, it's probably worth noting, was eventually put to death by the democratic rulers of Athens, allegedly for corrupting the city's youth, but more probably, as Elie Weisel says, for "speaking truth to power."⁵ This was thousands of years before the rise of "Big Pharma" and the American Medical Association, neither of which has exactly a sterling reputation for wanting to hear the truth about itself. Socrates' example still helps us reflect on public good values.

As public health care has been increasingly privatized so that all of us, health care providers as well as patients, are forced to submit to the rules of corporations, we too are asking that question: Are health care providers healers, or are they "earners of fees"? It isn't, of course, that we begrudge a doctor her or his reasonable fees. We don't live, and don't want to live, in a society in which, as in the past, some professions can only be practiced by those who have no need to earn money. We believe in equal opportunity as a public good. It is not approved, in most U.S. cultures, to hang onto the old aristocratic male scorn for people who have to work to support themselves and their families. In fact, sometimes we go so far in the other direction that the word *amateur*—the root of which means love; an amateur is someone who does something for love, not money—is said with some scorn: "Well, what did you expect? He's just an amateur." And there is a certain lack of respect even for very rich folks who do not work, who do not at least tend and "grow" their money.

The need for people, including physicians, to make a decent living does not work against the public good. After all, an economic system in which work is respected and people are decently paid is something for which we have struggled. What has come to be called a living wage was an early union rallying cry that still resonates today in cities where community organizers and unions are working together on living wage campaigns. It is unjust for workers to be forced to accept wages that cannot cover their most basic needs, and the needs of those who depend on them. It does not serve the public good to trap people in poverty.

So of course we do not scorn the physician or anyone else who takes money for what she does. "The laborer is worthy of his hire," as the Bible says, whether a heart surgeon or a hotel clerk—and the pay should be worthy of the worker. And we do not mind if the fee is reasonably high where better pay might attract people to do dangerous or especially demanding jobs, or jobs for which education and training far beyond the usual are required. This is one of the ways the system works to draw people into doing the things society needs and wants. Within reason, it seems to most

of us to be fair to individuals as well as a way of realizing the broader public good.

But that's hardly the end of the story. Even in a genuine market economy—one not taken over by corporations that skew the rules beyond recognition—it is a terrible thing to reduce everything and everyone to no more than a monetary value. Some things have a worth entirely other than their price. Remember the story of King Midas, who, in his lust for wealth, for ever more gold, asked for and got the privatizers' dream—the ability to turn everything he touched into gold? He touched his beloved daughter, and she turned into dead gold. He touched the food he needed to eat, and it too turned into gold that even the oh-so-powerful King Midas could not eat.

We do not want our doctors, our teachers, the builders of our bridges and buildings, our public servants to be motivated solely, or too much, by money lust. We want them to see us—each of us in our precious uniqueness, and all of us, their clients and neighbors and fellow citizens—as worthy of respect and care regardless of our wealth or poverty. Just as we need the water on which all life depends, we need the basic respect without which spirits too can shrivel and die.

When people do their work only for the money—whether a bare subsistence level or a vast pileup of wealth—the quality of commitment, care, and responsibility that we all need from each other is eroded and sometimes erased outright. That is always a possibility, but it is made less likely when pay scales are not tremendously discrepant, when most jobs and professions pay decent wages. It is mitigated when individuals and groups long subject to prejudice can count on public goods like quality education that make equal opportunity a real possibility. Then the economy is what it should be: a means, no more, to many differing kinds of decent and good lives, to the public and private freedom a good government protects.

But when pay and profit scales break through the top or the bottom of fair limits set to protect these public goods—limits such as a livable minimum wage, a progressive tax system by which those

who make more money, including corporations, contribute more—a healthy balance is lost. When some jobs pay so little that only the threat of no job at all, which today can mean deprivation unto death, can force desperate people to take them, no profits in other hands can outweigh the loss of human dignity and worth. Nor should people be reduced by unfettered, cutthroat competition to running their business or their farm on the backs of such labor. Exploitation warps the heart, divides us from other people, and breaks the spirit even when it does not also starve the body.

When some corporate jobs pay far, far beyond what anyone can sanely be said to have earned, their attraction is just as likely to be purely monetary and the jobs held onto almost as desperately as when want and fear are the spur. Just take a look at the young people in jobs that pay more from the beginning than what the very few people who worked their way to the "top" used to make. If they do not rise before dawn and work until after dark, they risk losing their jobs to someone who will. Their young adulthood, the time in which we become most fully who we are, find and establish the love and family and community relationships, the real work and values that sustain us, is swamped by the frenzy of competition.

According to a recent article about young professionals in New York City, it seems that a single person earning \$100,000 a year can no longer feel as if he or she has made it. The new golden plateau has become \$200,000.

People in the United States often believe that "we have it good" and that other countries are envious of our "lifestyle." But there are people in Europe as elsewhere who alternately pity and scorn us for being so driven, and there are people in some countries we think of as nothing but miserably poor who are horrified by what they see of us on TV, in the movies, on the news. The private profit culture, the passion for profit-making, seem to them nothing but ugly, even when they are indeed forced by today's poverty, too often made worse in a globalizing economy, to leave all they find of worth at home to come here.

But those who are caught up in the private profit culture readily see all those who immigrate, willingly or unwillingly, as testi-

mony to the rightness of their own lives. They have no truck with efforts to include these newcomers in even the most meager of our provisions for the public good. Insecure themselves, and girding themselves for flat-out competition, hard-driven Americans can become defensively scornful of any talk of the public good. They can scorn, too, the far lower salaries made by those who work for that good, even the teachers to whom they entrust their children and our collective future—or the salaries of those paid by regular old businesses that make no more than reasonable profits.

All this makes it easier to convert people to the private profit culture, including the escalating drive of its real players today, the corporations, to privatize the public good functions and services that are barely still standing against it. Convince enough people that wealth is the reward worth seeking, and they'll start to believe that anyone who lives by other values is a loser, or a fool, or some kind of bleeding heart to ridicule and avoid. This is happening today—but it has also happened before.

A Little History, with Present-Day Analogies

This is hardly the first time the profit motive has threatened to swamp the public good. Read this true story carefully. What the privatizers are seeking once existed, and the lesson it taught to those who suffered through it is that the private sector cannot be trusted to serve the public good—or even, ultimately, its own good.

In the eighteenth century, when England faced serious problems from the rise of an unfettered capitalist market economy, "the government promulgated . . . a considerable body of regulatory legislation. But this did not initially entail a corresponding growth in government. What we would now regard as governmental functions were 'farmed,' that is, contracted to private enterprise."⁶

And how did it work out when there was what we today call contracting out and outsourcing by a weak government such as the privatizers keep telling us we should have? Some examples from this history:

Naval officers and crews were paid in part or whole from prize money from captured ships.

Prisons were run by businessmen getting their profits from sale of food and privileges to the prisoners.

Queen Elizabeth's ambassador to the Ottoman Empire was appointed, paid, and his embassy maintained by the joint-stock Levant Company.

Volunteer informers were rewarded for denouncing criminals.⁷

We can't resist adding the story of one Mr. Jonathan Wild. In those days in England, this Mr. Wild ran a "profitable conglomerate" through which he "recruited and trained thieves, and set up a rental service in burglar's tools," while also negotiating with "the original owner for the return of stolen goods for a price." Mr. Wild, conglomerate owner, also diversified his operations: He was "a thief-taker" who delivered "uncooperative thieves to the courts" and turned in any thief with a large price on his head. Seventy of them were hanged.⁸

Now, there's a man who knew how to sell his services to the government and do better than the usual contractor. He figured out how to make his services needed by making sure there were well-equipped burglars plying their trade, and then went out and caught the ones who would bring a good price because they were so successful. Got rid of potential competition that way, too. Sort of like today's manufacturers and sellers of armaments: Arm to the teeth any nation that has the money to buy from you, then arm the countries they threaten, and then serve your government by giving it advice on how to deal with those well-armed "rogue" nations—by buying still more arms from you, of course. Very profitable, and very little room left for your competitors.

Today, in the corporations that are trying to take us back to the days when government depended on such imaginative profit-seekers to do its work, there are also a few people who are making out like bandits. Some corporate executives make five hundred times

more than the workers who actually produce the company's products or deliver its services; not so long ago, the top executives' salary premium over workers was around forty times as much. CEOs also make significantly more than the middle managers who, day by day, help keep the corporation running. And increasingly, those CEOs are accountable to almost no one—quite unlike the workers and managers who are readily fired if “the bottom line” suggests cuts.

It's not surprising that such CEOs find it more than mildly irritating when government sets limits on what they can do. Corporate bosses are used to having everyone snap to and do just what they say; obligations to the public good just get in their way. Although they may pride themselves on listening to “the little people,” they surely do retain the right to make the final decision with the bottom line most firmly in mind. And they will tell you that this is how they do, not just well, but good: They're powering the economy and creating jobs (forget those “lean and mean” cuts, and relocations that lost many jobs, and replacement of decently paid public employees with nonunion, cheaper labor through privatization).

Although the U.S. government today seems often to look the other way while these executives run roughshod over their employees and the rest of us, the English government finally decided almost three centuries ago that it had had enough of Mr. Wild. Parliament passed a law against returning stolen goods without prosecuting the burglar, and in 1725 used it to arrest and hang him.

Corporate boards, which hire and could fire (if not hang) their CEOs, are made up largely of other people with huge salaries. They have a stake in keeping top corporate jobs secure and the largesse flowing. They as well as the CEOs they supposedly oversee are well-served by the myth that monstrous pay is the only way to get “quality” executives. If CEO pay were kept reasonable by boards of directors who were really responsible to the bottom line, to the profit margin, to shareholders, rather than artificially inflated by the very people who stand to make out like Mr. Wild (at least in the early phase of his career), good people would work for good pay,

pure and simple. But when corporate board members are given their famously super-generous perks, they want to please the CEO and their fellow board members who set those perks. This cozy situation creates a closed circle of people who line each other's pockets. It does not establish a system of accountability, even to the bottom line—let alone to the public good.

Where the only value to which people are loyal is profit, even honor among thieves fails. Here's a contemporary story that, like Mr. Wild's, is ludicrous, ugly, and terrifying, because now global in scope.

The current global market for PMFs (private military firms) is essentially unregulated, lacking both formal controls and limits. So, the firms make the choice of whom to work for. . . . Rebel groups in Angola, Sierra Leone, and DRC [Democratic Republic of Congo] are all reputed to have received military help from private companies. . . . Likewise, less transparent firms such as Stablicco, Niemoller-Group, and GMR have been accused of engaging in illicit arms and diamond dealings, sometimes on multiple sides of conflicts.

Indeed, there has also been a link with terrorist networks. In the late 1990s a number of firms targeted the lucrative market of training young Muslims who were being recruited globally to join radical groups engaged in jihads, or “holy wars” in places such as Chechnya and Afghanistan. For example, Sakina Security Ltd. was a British firm that offered military training and weapons instruction to these recruits, as part of its “Jihad Challenge” package.⁹

America has its own Jonathan Wild, a Mr. Kelvin Smith, who, while a government employee, started his own business in western Pennsylvania. He “provided military training to groups purporting to be headed to the fighting in Bosnia and Chechnya,” where there were many mercenaries on all sides already. Not wanting to leave

his clients unsupplied, Smith also bought assault rifles and ammunition on their behalf. Six members of Smith's classes, in which they were also trained in "mock terrorist-type attacks on utilities plants, later turned out to be members of al Qaeda who were convicted in 1993 of planning a series of attacks around New York City."¹⁰

Was Mr. Smith hanged? No. Because he broke gun laws, Mr. Smith was arrested and given two years in prison.

A bad apple, one slipup of justice? Well, between 1994 and 2002 U.S.-based private military firms signed over three thousand contracts with the U.S. Defense Department that are estimated to be worth over \$300 billion. P. W. Singer, author of the book that gives these examples, writes, "Ironically enough, despite being the dominant power on the international scene today, the United States may make the most extensive use of the privatized military industry."¹¹

Wouldn't want to do anything *too* bad to Mr. Smith. Might irritate the PMFs on which the U.S. military is now virtually dependent—and making a big deal out of one entrepreneurial adventurer in the business might lead to highly unwelcome publicity all around, mightn't it?

Yes, there are far less terrifying corporations than the private military firms. Yes, there are corporations that try to play by what rules there are—and even call for more so that they have a chance to compete with those that skirt, flee, violate, and work against those rules. And yes, there are those corporations that we mentioned back in the preface that are committed and trying hard to live up to the values of the public good culture that are among the reasons their customers buy their products.

But do we want a system that not only allows but richly rewards loyalty to nothing but profit-making to own and operate provisions and protections for the public good?

Siamese Twins

There is a great divide between the private profit culture and the public good culture, but the struggle between them is not between

opposites that have no relationship. They are historically and politically connected, joined at the hip.

We know that it is a startling thought that privatizing corporations, which justify themselves by invoking the freedom of the market and attacking what they see as both the threat and the ineptitude of "Big Government," actually need governments committed to the public good. But they do. The international economist Andrew Kamarck, reflecting on history, makes the thought-provoking claim, "The welfare state and modern capitalism are Siamese twins." Think about that: Siamese twins are two people who differ from each other, who think for themselves, who can and do disagree—but their bodies are organically joined. Like it or not, they need each other to stay healthy, to stay alive.

Kamarck explains:

In feudal times, people knew where they belonged, their position in society might be lowly but it was as secure as it had been for their parents and grandparents before them. Capitalism brought in constant change and insecurity. The capitalistic market economy allows enterprises to fire workers, to restructure, downsize, or reengineer firms, to abandon towns, regions, or even countries that depend on them. To make the resulting insecurities socially and politically tolerable, there has to be some provision to blunt the sharp edges. *A major contribution of the welfare state is that unfettered capitalism could never survive politically or socially without it. [italics in original]*¹²

The clash between the public good culture supported by democratic governments and the private profit culture that has spawned privatizing corporations is a serious moral, religious, practical, political, and economic one precisely because the two sectors are both different and related. If the corporations, through privatization, succeed in their efforts to tear ever more chunks out of their Siamese twin to make themselves bigger, it will leave not only all of us but those very corporations in big trouble.

Without the welfare state (a term they have worked hard to turn into an insult), who will provide the schools that educate their workers, the public health care that protects us all against the kind of epidemics that kill hundreds of thousands of people? Who will provide the police and firefighters who keep all our homes and neighborhoods safe? Who will protect the water, the air, the soil on which all life depends? Corporations depend on all these, just as we do. But corporations do not want to spend money on them. It hurts their bottom lines, cuts their profit margins, makes them less competitive on Wall Street, less attractive to investment bankers and stockholders who only care about their profitability. Do we want to go back to the old company towns from which it was very hard to leave, into which few outsiders were allowed? Do we want feudalism back, now with corporate heads free to act like monarchs, and managers who serve as the lords and ladies who led the good life as long as they could keep the people on their lands producing wealth for them?

The public good culture, including its welfare state, remains essential to us, and precisely because it is so different from it, to a healthy profit-making culture as well.

Appreciating the Public Sector

CHAPTER 14

IT IS IMPORTANT to remember that the public sector has an enviable track record stretching back over many years. How many of us were born safely in public hospitals? How many of us were educated in public elementary and secondary schools? How many of us went to public community colleges, four-year colleges, and universities, both because they offered good education and because we couldn't afford the tuition at private schools, colleges, and universities? How many of us received public financial aid that got us through school?

We drive across the country on high-speed interstate highways, a public project conceived and initiated during the administration of President Dwight D. Eisenhower in the 1950s. We pitch our tents in national parks and wilderness areas that were preserved for future generations by government in response to public campaigns. We canoe down rivers that were cleaned up by government action.

We work at jobs for which some of us would never have been hired if it weren't for public laws prohibiting discrimination in hiring. Our safety on the job is protected by government regulation and inspectors. The safety of our food, medicines, water is overseen by public agencies. We can report consumer fraud to the government. We can get on the "do not call" lists of our state and federal governments to stop telemarketers from intruding into our lives whenever they want to.

If we become disabled, our income is maintained by the public Social Security disability program. If we die while working, our children under eighteen are provided with income through gov-