

LET'S SHOP!

THE RISE OF CONSUMERISM



We have always been consumers in a literal sense, but we have not always lived in a consumer society. Consumerism is not about gathering resources for survival - consuming to live. Rather it is a behaviour in itself which serves other less rational needs - living to consume.

Conspicuous consumption is a term coined by the economist and sociologist Thorstein Veblen in 1899,¹ to describe the behaviour of the nouveau riche, a class that began accumulating wealth during the Industrial Revolution. The term now broadly applies to people and households with expendable incomes who spend money in order to attain or maintain social status - they pay for goods and services so as to display their income or wealth, rather than for the inherent usefulness of the purchases.

Before the twentieth century, only the wealthy could be big spenders. Now, with mass production and cheap goods, the majority of people in developed economies can splash their cash around.

And we can safely say that mass consumerism plays a major part in how we use earth's resources and in our production of greenhouse gases.

THE RISE OF THE INDIVIDUAL

Many would say that consumerism feeds off the needs of the individual. It's all about you, what you, the customer, want - the right look, the new look, the perfect accessory, the colour to suit your mood, the car to reflect your image, the beer for your particular taste.... all because you're worth it!

The rise in consumerism has its roots in the rise of the individual.

According to Shoshana Zuboff & James Maxmin,² the shift from community to individual identity has been a long time coming. People in ancient societies, whose consciousness was fixed by myth, ritual and social precedent, thought of pleasure and all emotions as being located in things outside of themselves, not in their subjective experience.

The Protestant Reformation in the 16th century, had a critical role in relocating emotions inside people's minds, rather than outside in the world. Protestantism insisted on personal meaning, which replaced the external symbols and institutional authority of the Church. Inspired by the philosophers of the Enlightenment, the French and American Revolutions were then turning points in the movement towards

¹ *The Theory of the Leisure Class*; <http://www.fordham.edu/halsall/mod/1902veblen00.asp>

² S. Zuboff & J. Maxmin (2002) *The Support Economy - Why Corporations are Failing Individuals and the Next Episode of Capitalism*; p. 37-42

individual political rights. Literacy was another powerful force in the rise of subjectivity as it gave people a way to privately manipulate language and its meanings. By the mid-eighteenth century, the novel had become a hugely important form of self-expression, especially for women.

Changes in family life also contributed to a greater subjective sense of oneself. Up to then, the traditional family had been deeply enmeshed within the community. There were few boundaries between what people today think of as public and private life. If you did wrong, the townsfolk, not your family would punish you. Penalties could range from a day in the stocks to being burnt at the stake, or if you were lucky just the maddening crowd jeering outside your house for a night or two.

By the 18th century, people were slowly beginning to move away from such strong conformity to communal norms and they began to place more importance on their own feelings and intimate relationships. There emerged a growing belief in romantic love and the desire to choose your own marital partner. As infant mortality declined, women began to regard their babies as unique creatures requiring nurture, safety, love and comfort. Mothers began to put their children's welfare ahead of other obligations. And people began to rely on family members for emotional, not just material support. The family became more of a closed circle, which drew them further away from the community and into the emotional shelter of the home. Homes were reorganised into family and public rooms (in Ireland, we had "the parlour" or as David McWilliams puts it "*The Good Room*"). All of this led to what became known as "private life".

While the looking glass had been an aristocratic luxury, by the 19th century, mirrors were appearing in more ordinary homes and people began to reflect on their own images. Portraiture, accentuated by the invention of photography, became popular.

People moved away from the strict rules around the transmission of family names and began to give their children their own unique names. They began to appreciate having animals as pets, and learned to see them as sentient beings in their own right. Tombstones began to be carved with individual epitaphs. And there emerged a new interest in the body, in its internal organs and their function, in personal health, hygiene and grooming.

As a result, people began to live longer. This enabled them to become more attached to each other as special irreplaceable individuals, particularly within the family context, and death became an occasion for more profound grief. The development of rubber in the mid 1800's led to the production and use of condoms, and the invention of the cap and diaphragm. Now, people could more reliably limit their family size, and focus on quality not quantity of care (although it took a while for this to catch on in Ireland!). By the end of the 19th century, the human psyche itself became the focus for debate and inquiry. With this new capacity for subjectivity, people could imagine pleasure and begin to dream about how they would like life to be. The consumption of goods began to be seen as a way of satisfying needs, which played such a huge role in the economic explosion of the mid-eighteenth century and which fuelled subsequent waves of economic growth and technological development. But as we all know, purchases do not satisfy long-term desires, so a new and restless dynamic was established.

The rise of the city and the factory culture meant that people who had once made their own household objects and tools now had to buy mass-produced ones. And, whereas in the past, people had been born into a certain class which meant that status and privilege were defined by where you stood in the pecking order, now, the certainties of traditional life had been replaced by the tempting pleasures of new goods and by a standard of living supposedly available to all. Appearance and manners took on a new importance as the way to establish a family's social position. As men moved their businesses out of their homes, and into the cities, the family home became a haven of gentility, requiring much care, attention and adornment. And new modes of transport and different work patterns and opportunities now meant that people could move around more in pursuit of a better life.

The era of individual consumption was born.

THE CONNECTION BETWEEN CONSUMERISM AND PEACE

But lest we think that consumerism is all bad, we need to appreciate what it has spared us from. In the early part of the past century, civil unrest, riots, and revolutions were commonplace throughout the world. Many countries established dictatorships to curb the forces but the United States and some European capitalist democracies took another more passive path.

In the late 1920's US President Herbert Hoover was one of the first politicians to promote the message that producing and consuming should be the great driving forces of national life. He told an audience of advertisers and public relations men, *"You have taken over the job of creating desire and have transformed people into constantly moving happiness machines, machines which have become the key to economic progress."*³

In other words, the steady production and consumption of goods and services would spur ceaseless economic growth, which would usher in universal prosperity and eternal joy, and prevent revolt.

Apparently, when Franklin D. Roosevelt was asked what book he could give the Soviets to teach them about the advantages of American society, he pointed to the Sears catalogue.

But consumerism is possible only when enough people are able to buy enough things beyond their basic needs. Henry Ford was one of the first to understand the importance of creating an "ever-widening circle of buying". In 1914, he took the revolutionary step of nearly doubling his worker's pay to five dollars a day, and reducing daily working hours from nine to eight - so that they would have the cash and the time to go out and buy his cars.

It took a while for his philosophy to catch on, but catch on it certainly did.

However, just as mass consumerism was taking off in the 1930s, the founder of the cereal giant, Kellogg's, W.K. Kellogg, saw the consumption treadmill people were on, and the effect it was having on their leisure time and their families and communities, and he tried to call halt. Just at the start of the Great Depression he cut his fifteen hundred employees' workday by two hours, from the traditional eight hour shift to just six hours. He reckoned that this would allow three hundred more people onto his payroll, and allow all workers to have more free time. He was keen that this free time would be spent on worthy pursuits other than shopping. But, so that no-one would be drastically out of pocket, he raised the hourly rate so that the existing workforce only took a slight pay cut, and he promised production bonuses for hard work.

Kellogg's workers embraced the extra two hours with gusto. More time was spent with family and friends and in leisure pursuits. The shorter workdays influenced employees to work harder and overhead costs, labour costs, and the number of work-related accidents decreased.

When World War II ended, however, Kellogg's managers abandoned the six-hour shift and began with the rest of the nation to define progress as more work for more people. Losing sight of the original dream, management argued that work should remain the centre of life, providing identity, meaning, and purpose. And this was against their workers' better judgement. In a company poll in 1946, 77% of men and 87% of women said they would choose a thirty hour week even if it meant lower wages.⁴

During the 1930s and the Great Depression, the classical economic thinking was that free markets would automatically provide full employment, as long as workers were flexible in their wage demands. That was until the British economist John Maynard Keynes spearheaded a revolution in economic thinking.

³ Andrew Benett & Ann O'Reilly (2010) *Consumed-rethinking business in the era of mindful spending*; p.6

⁴ Rachel Botsman & Roo Rogers (2010/11)

What's Mine Is Yours-how collaborative consumption is changing the way we live; p. 46

Keynes argued that private investment and self-regulating markets alone could not fix a stagnant market. Rather, the government would have to play an important role in raising the level of production and employment, and fuelling aggregate demand, through strategies such as job programmes, public works and progressive tax policies. He argued that governments should not worry about balancing the books, as deficit spending is often necessary to fuel sufficient consumer demand. And in case the American New Dealers were not completely on board, Keynes and his followers contended that the survival of world democracy over communism and fascism relied on America's ability to revive capitalism. Moreover, within the US, Keynesianism was thought to encourage greater economic equality, and hence more peaceful democracy, as dynamic consumer demand depended on a wide distribution of purchasing power.

In 1941, on the cusp of their involvement in the Second World War, President Roosevelt promised the American public that his policies were designed to secure their "Four Freedoms", including "freedom from want" and "the enjoyment of the fruits of scientific progress in a wider and constantly rising standard of living"⁵

By the early 1950s, the US economy had begun to recover and soon developed into a prosperous boom, which paved a path of consumerism for the rest of the world to aspire to. Consumer spending was given a substantial boost by the implementation of the GI Bill, which rewarded over sixteen million servicemen and women with unemployment pay while looking for a job, tuition and subsistence allowances for further education or training, and loans to purchase homes or farms or to start a business – enter suburbia, wealthy teenagers (by 1959, their spending had reached an extraordinary \$10 billion⁶), the television, and the rise of easy credit.

Under the Marshall Plan⁷ - set up in 1948, after World War 2, to help curb the spread of communism - the United States gave substantial financial support to help rebuild European democracies. This meant that by the late 1950s the people of Europe also finally began to enjoy prosperity.

THE FREE MARKET

While Keynes himself died in 1946, his legacy remained. Keynesian policies were adopted by almost the entire developed world and similar measures for a mixed economy were used by many developing nations. However, by the mid-1950s, the erstwhile Keynesian Milton Friedman began to break ranks and emerge as a formidable critic of Keynes and his principles. He and other economists were pessimistic about the ability of governments to regulate the business cycle with fiscal policy. Friedman was keen that a tight rein be held on the supply of money so as to curb inflation. He supported free market economies, with no government monopolies, no subsidies, or burdensome regulations, and supply-side economics with lower taxes, so as to give people an incentive to work and then spend. He felt that there was a "natural" rate of unemployment. Above all, he promoted deregulation and privatisation.

And so, while it appeared that big government and social liberalism were firmly entrenched in the 1950s the balance began to shift towards private power in the swinging sixties.⁸ The 1970s slowdown caused by the oil crisis only set the stage for the hyperconsumerist mania that exploded in its wake.

By the 1980s, President Ronald Reagan, with his own brand of supply-side and trickle-down Reaganomics, had entered the world stage. Straight out of Friedman's book, he concentrated on cutting taxes, reducing government spending and regulation and controlling the supply of money to curb inflation. He hiked up

⁵ *Lisbeth Cohen (2003) A Consumers' Republic-the politics of mass consumption in postwar America; p. 56*

⁶ *Ibid; p. 14*

⁷ http://en.wikipedia.org/wiki/Marshall_Plan

⁸ *Lisbeth Cohen (2003) A Consumers' Republic-the politics of mass consumption in postwar America; p. 22*

defence spending and cut taxes on fuel. Reagan presented his economic proposals as merely a return to the free-enterprise principles that had been de rigeur before the Great Depression. Consumer spending soared.

On this side of the pond, we had the UK Prime Minister, Margaret Thatcher who peddled her own brand of Thatcherism - small government, free markets, and privatisation. Thatcher prided herself on creating a libertarian movement, focusing on the individual, commenting that *"there is no such thing as society"*.

Through most of the 20th century, Ireland, a small island on the periphery of Europe, seemed to lurch from one economic crisis to another, and emigration remained our national safety valve. However, we too joined the party. Thanks in no small part to EU grants, we hiccupped our way onto the Celtic Tiger gravy train – and along with most of the developed West welcomed in free trade, globalisation, cheap oil and the deluge of inexpensive goods from low cost economies. Despite the widening gap between rich and the poor, most of us were able to jump on the global shopping trolley.

Economic growth, employment and shopping have become inextricably linked in the developed world. And lest we forget, when things go wrong, we're reminded to keep right on spending.

In November 2001, after the bombing of the Twin Towers, life in New York returned to normal with the arrival of a group of celebrities, including Sting, on the briefly re-introduced Concorde. They were greeted in Kennedy Airport by Mayor Giuliani, who told passengers that *"the bonds which have always bound together London and New York have been cemented even more following the disastrous events of September"*. As guests left the plane, he invited them to *"spend, spend, spend"*.⁹

In 2006, when governments were desperate to stimulate consumption in order to stave off massive economic contractions, President George W. Bush rallied the American nation with a call to action at a news conference:

*"As we work with Congress in the coming year to chart a new course in Iraq and strengthen our military to meet the challenges of the twenty-first century, we must also work together to achieve important goals for the American people here at home. This work begins with keeping our economy growing and I encourage you all to go shopping more."*¹⁰

FACTORS CONTRIBUTING TO THE RISE IN CONSUMPTION

No major social or political change happens on its own. The shift is often a result of an interlocking web of developments occurring over a period of time. The rise in consumption is no different.

MARKETING

Consumerism as we know it would never have taken off without modern marketing. Much of the thinking and practice that still drives the industry can be attributed to the "father of PR", Austrian Edward Bernays, who was born in Vienna in 1891 and then moved to New York with his family. Bernays' parents had interesting connections - his mother was Sigmund Freud's sister and his father was the brother of Freud's wife. Therefore, it is no surprise that Bernays was influenced by Freud's theories, and became one of the first to attempt to manipulate public opinion by appealing to, and attempting to influence, the unconscious and all its untapped potential.'

⁹ <http://www.concordesst.com/returntoflight/relaunch.html>

¹⁰ Andrew Benett & Ann O'Reilly (2010) *Consumed-rethinking business in the era of mindful spending*; p. 5

In his 1928 book *Propaganda*, he coined the term “engineering consent” - “*If we understand the mechanism and motives of the group mind,*” he wrote, “*is it not possible to control and regiment the masses according to our will without their knowing about it? The recent practice of propaganda has proved that it is possible, at least up to a certain point and within certain limits.*”¹¹

Bernays was known for popularising the technique of manipulating public opinion through the use of “third party authorities”, with or without their co-operation. In order to promote sales of bacon, for example, he conducted a survey of physicians and reported their recommendation that people eat heavy breakfasts, touting bacon and eggs as just such a heavy meal. He also favoured the use of endorsements by opinion leaders, celebrities or “experts”.¹²

For an interesting insight into the man, read the following interview with him by Stuart Ewen, author of *Pr! A Social History of Spin*, a number of years before his death in 1995 (at the ripe old age of 104)

<http://home.bway.net/drstu/chapter.html>

BRANDING AND LIFESTYLE SHOPPING

The word brand derives from an old Norse word meaning “to burn” and refers to the practice of producers burning their mark (or brand) onto their products. The Italians were among the first to use brands, in the form of watermarks on paper in the 1200s. As anyone who knows their wild west movies, cattle were branded, literally, in the New World.

Mass-marketed brands originated in the 19th century with the advent of packaged goods. Industrialization moved the production of many household items, such as soap, from local communities to centralized factories. The manufacturers quickly learned that generic packaging couldn’t compete with locally produced, named and recognised products. They needed to show that the public could place as much trust in the non-local product. So they branded their products, giving them an identity with which the customer could become familiar. Memorable names like Pears Soap, Campbell soup, Coca-Cola, Juicy Fruit gum, Aunt Jemima, and Quaker Oats entered the American consciousness.¹³

By the early twentieth century, branding was sufficiently far along for companies to engage in “trademark advertising”, complete with slogans, mascots, and jingles. By the 1940s, professionals had come to recognise that consumers did not merely recognise brand messages – they actually developed a personal relationship with brands, connecting with them on a deeper emotional level. Through the formative years of TV, branding was relatively naive in its approach – “Brand X is good for you because it contains ingredient Y”, “Most Mums prefer Z”.

In the 1950s and 1960s, brands like Tide, Kraft and Lipton excelled in marketing activities, setting the benchmarks for all brands today. This marked the start of the era where “winning” was determined by understanding the consumer better than your competitors and getting the total “brand mix” right. The brand mix is more than the logo, or the price of a product, it’s also the packaging, the promotions, and the advertising, which together sells the lifestyle dream to the consumer.

THE DIDEROT EFFECT

The Diderot Effect shows how buying one thing can spawn a series of purchases. It is named after the French philosopher Denis Diderot (1713–84), who wrote an essay entitled “*Regrets on Parting with my Old Dressing Gown: Or a Warning to Those Who Have More Taste than Money*”. Diderot recounts receiving

¹¹ http://www.sourcewatch.org/index.php?title=Edward_Bernays

¹² *As above*

¹³ <http://en.wikipedia.org/wiki/Brand>

a new dressing gown as a gift from a friend and how it compelled him to redecorate his entire study. The new dressing gown made everything in the room look old and shabby by comparison and item by item everything was replaced to match his dressing gown. Diderot feels this unnecessary process would never have started if his friend hadn't given him the new dressing gown - a gift he now regrets.

Established consumption patterns, undisturbed, mean that we are quite happy as we are. However, the purchase of a new item - say, a chair or a rug - can set off a chain reaction of new purchases to complement it - the new chair makes the old sofa look shabby, so you get a new sofa, then that shows up the walls, so you get new wallpaper, and of course the faded curtains have to be replaced, then before you know it the kitchen next door is being remodelled! Or you buy a new dress and that means you need new shoes to match and what about a nice cardigan to keep the chill away, then maybe some colour co-ordinated jewellery, perhaps a classy bag.....

THE DIGITAL AGE AND JUST-IN-TIME SUPPLY

The development of computers and digital information networks has paved the way for just-in-time delivery strategies. Businesses can get goods closer to the time they need them, rather than having to stockpile large quantities in expensive warehouses. Supply can be matched to demand, less of the product goes to waste, and new designs and styles can be introduced at the drop of a hat. This of course, hooks in us gullible consumers as we are tempted by an ever-evolving range of products. And those of us who are tempted by the good value of major chains, but dread the thought that we might turn up to the next cocktail party wearing the same outfit as our best friend, can rest assured. These retailers hold no stock in warehouses or in-store stock rooms, their style turnover is rapid, so your fancy dress isn't on the racks long enough for others to buy.

The Spanish fashion retailer, Zara, spear headed the art of just in time production. They spend heavily on sophisticated technology which facilitates all store managers to monitor rapidly changing customer preferences and fickle tastes, and then send the data directly to a central planning office. This allows Zara to make last minute design decisions incorporating up to date results from its stores, and results in a new product moving from the design stage to the shop floor in no more than 30 days. Apparently, immediately after the 9-11 attack the company realised that their customers were in a sombre mood, and within a few weeks had stocked their shelves with new products that were predominantly black.¹⁴

But as supply chains have become so immediate, companies have become more dependent on fast, energy intensive transportation, and they are extremely vulnerable to supply disruptions, which can occur as a result of a catastrophe like the Japanese earthquake. Having no warehouse means that there is no back-up product to cover the time lag.

THE CREDIT CARD

The invention of the credit card introduced a whole new dimension to shopping. No longer do we have to scrimp and save for that coveted sofa or trip abroad. Immediate credit at the flick of a card, or the entry of a pin number, combined with the stay at home luxury of internet shopping is much too hard to turn down. "Put it on my card" we say, with gay abandon.

At the beginning of the twentieth century, most people had to pay cash for products and services. Some stores provided their own credit accounts, and over time customers were able to access them by using an in-store card, but there was no credit facility that could also be used in other outlets. So, people had to bring dozens of these cards with them to do a day's shopping.

¹⁴ Thomas L. Friedman (2006) *The World is Flat-the globalised world in the twenty-first century*; p.154

In 1949, Frank X. McNamara, head of the US Hamilton Credit Corporation had the breakthrough idea of needing only one credit card. He went out for a meal with Alfred Bloomingdale, his long-time friend and grandson of the founder of the Bloomingdale store, and Ralph Sneider, McNamara's lawyer.

At the end of the evening, McNamara reached into his pocket for his money so that he could pay, but was shocked to discover that he had forgotten his wallet. To his embarrassment, he then had to call his wife and ask her to bring over some cash. McNamara vowed never to let this happen again. So, he roped in Bloomingdale and Sneider and the three set up The Diners Club, marketing it to salespeople who needed to wine and dine customers. The Club was to be a middleman. Instead of individual companies offering credit to their own customers (whom they would bill later), the Diners Club was going to offer credit to individuals on behalf of a range of companies (then bill the customers and pay the companies), and charge each side accordingly. The first Diners Club credit cards were given out in 1950 to two hundred people, mostly friends and acquaintances of McNamara and accepted by fourteen restaurants in New York. By the end of 1950, 20,000 diners were using the card. Eight years later, American Express launched its debut card, followed in the same year by Bank of America's BankAmericard (precursor to VISA), and the rest, as they say, is history.¹⁵

HOME OWNERSHIP

In his memoirs, Herbert Hoover, President of the US from 1929 to 1933, wrote that *"a primary right of every American family is the right to build a new house of its heart's desire at least once. Moreover there is the instinct to own one's own house with one's arrangement of gadgets, rooms and surroundings"*. Under Hoover's leadership, the US Dept. of Commerce churned out an array of public relations materials selling the idea of home ownership.¹⁶

In 1959, Vice President Nixon articulated the essence of American superiority to Soviet Premier Nikita Khrushchev by describing the consumer-oriented suburban home which was available to American of all classes. *"Let us start with some of the things in this exhibit,"* he began, *"You will see a house, a car, a television set - each the newest and most modern of its type we produce. But can only the rich in the United States afford such things? If this were the case, we would have to include in our definition of rich the millions of America's wage earners"*.¹⁷

While home ownership isn't essential to consumerism, as not all consumers own homes, its importance cannot be underrated. Buying a home means you have now become a responsible member of the community, you have "settled down" and how you maintain it reflects the type of person you are. Buying the actual house is only the first step, you have to get the right furniture, and decor, then there's the garden, and the kids' play area, the conservatory and the deck.....

Mass home ownership went hand in hand with the emergence of the suburbs - separate residential communities within commuting distance of a city. The 'burbs originated in the late nineteenth century with the emergence of the railways, and later expanded when Henry Ford and the mass produced motor car came along. The suburban population in North America exploded after the Second World War, when veterans returned home and were financially incentivised to start a settled life. Of course, the move to suburbia meant that people had more space, a back and front yard, and a commute to work and the supermarket. They needed one or two cars to get about, more furniture to fill the space, a lawnmower to trim the lawn, garden furniture, new kitchen appliances and soon a TV for each kid's room. Enter the shopping centre and easy living.

If you have time, watch "In the Suburbs", produced by *Redbook Magazine for Young Adults*, made in 1957 to attract advertising space. <http://www.youtube.com/watch?v=QFk5y5C82tk>

¹⁵ Andrew Benett & Ann O'Reilly (2010) *Consumed-rethinking business in the era of mindful spending*; p. 17

¹⁶ *Ibid* p. 27

¹⁷ Lawrence B Glickman(Ed.) (1999) *Consumer Society In American History: A Reader*; p.298

THE SHIPPING CONTAINER

Some say that we have to thank standardised shipping containers for the rapid spread of globalisation and the ready availability of cheap goods from all over the world.

The container was the brainchild of Malcolm P. McLean, a self-made man from North Carolina. Fresh out of high school, he began work at a petrol station close to his home. In 1934, at the age of 21, he had saved up enough money to buy his first second-hand truck. Within weeks, he was on the road, transporting empty tobacco barrels and farm produce throughout the South, and, before long, he had roped in the services of his brother and sister. By mid century The McLean Trucking Company was one of the largest trucking businesses in the US.

The idea of moving lorries on ships emerged during the Second World War, and in the early 1950's McLean began to think about how this could be done commercially to transport goods up and down the coast of the US. He bought some old military tankers with the intention of loading them up with his trucks, but soon realised that this would be a very inefficient use of the space. His business head was keen to transport goods for the cheapest price possible. So, with the help of an engineer, he devised a way of just carrying a modular container that could be lifted off the back of the lorry by crane, stacked neatly on the ship's deck, and then loaded back onto a truck at the other end. Costs were slashed, efficiency and reliability improved, little time was lost loading and off-loading, and insurance expenditure was reduced.

Though he had no experience in the shipping industry, McLean sold his 75% interest in McLean Trucking in 1955 and became the owner and president of Pan-Atlantic, which he renamed SeaLand Industries. McLean was insistent that his vision of overall industry growth would only succeed if standardisation was achieved. His container designs were awarded patent protection, but McLean chose to make these patents available for use by others.

But, it took a while for the container idea to catch on. The industry was slow to change its systems and dockside unions resisted. While the labour savings were a boon for employers and port authorities, they were obviously a huge threat to the workers.

However, by 1970, the containerisation trend began to take off, with container use increasing by more than 20% a year. And the average size of container ships just grew and grew: vessels could each hold up to 1,800 units in the 1970s; by 1980, the number had jumped to 3,000 and by 1990, to 4,200, bringing costs down even further. Since then, ships have more than doubled in size - megaships are now being designed that can carry up to 8,000 containers.¹⁸

SELF STORAGE UNITS

More space increases our tendency to buy stuff, and more storage space means that we can stash away the old to make way for the new. The new storage industry has assisted us in this human foible. In 1964, Russ Williams, a Texas oil-man and avid fisherman, who was always looking for space to store his boats and equipment, came up with the idea of renting out mini-warehouses called the *A-1 U-Store-It U-Lock-It U-Carry-The-Key*. They were built side by side with block partitions and panel garage doors, and measured just one hundred feet by thirty feet in size. The idea caught on so fast that it was hard to keep up with demand. Williams continued building these facilities until he eventually owned 2,500 in the US. Today, there are more than 53,000 personal storage facilities, more than seven times the number of Starbucks in the US. Self-storage is now a \$22 billion a year industry in the US, which is more than Hollywood box office sales.¹⁹

18 *Amanda Little (2009) Power Trip-from oil wells to solar cells-our ride to the renewable future; p. 197*
The Truck Driver who Reinvented Shipping <http://hbswk.hbs.edu/item/5026.html>

19 *Rachel Botsman & Roo Rogers (2010/11)*
What's Mine Is Yours-how collaborative consumption is changing the way we live; p. 13

One in ten US households now rents a self-storage unit, an increase of 75% since 1995. This despite the fact that the size of the average US house has more than doubled since the 1950s and now stands at around 2,300 square feet, up from 1,660 as recently as 1973.²⁰

But as consumption has grown, so too has the average size of the American house. The National Association of Homebuilders reports that the average American house went from 1,660 square feet in 1973 to 2,400 square feet in 2004. Tom Vanderbilt of Slate asks "houses got bigger, average family sizes got smaller, and yet we still need to tack on a billion-plus square feet to store our stuff?"²¹

The entire UK self-storage industry made £310 million in 2005 and is growing by up to 40% each year. The average Briton now accumulates more than a ton of unwanted possessions and a quarter have to give up a room in their house to store it. American self-storage space occupies 3 times the area of Manhattan Island - more than 40,000 depots and the industry makes more money than the nation's movie theatres or its music business. - a third of American units are rented by people earning less than £15,000 a year - classic grab and stash behaviour. According to chief stock market strategist for the Bank of America Corp., Joseph Quinlan, such squirreling is a critical prop to global growth, because people will only keep buying as long as they have somewhere to hoard their purchases.²²

And we're catching up fast here in Ireland if a quick internet search, or a ramble around the outskirts of our major cities proves anything. According to a blog produced by the self storage company Elephant in May 2011,²³ Ireland has 22 self-storage facilities in the country, and, despite the grinding recession, only one company had gone bust by then.



20 Andrew Benett & Ann O'Reilly (2010) *Consumed-rethinking business in the era of mindful spending*; p. 29

21 http://www.slate.com/articles/arts/culturebox/2005/07/selfstorage_nation.html

22 John Naish (2008) *Enough- breaking free from the world of more*; p. 93-4

23 <http://www.elephant.ie/blog/898>