

## INDUSTRIALIZATION, ATTITUDES, AND ANXIETY IN AMERICA

by

Alan N. Schoonmaker

All under-developed nations want to industrialize, and nearly all of them have looked to the industrialized nations for guidance. Most have even tried to copy portions of the American or Russian systems, but they have generally overlooked the psychological aspects of these systems. These psychological aspects are poorly understood, but they are crucially important. Certain attitudes accelerate the industrialization process, and this process, in turn, changes attitudes as it progresses. Industrialization and attitudes related to it have also created such severe psychological and social problems that Americans -- despite their wealth and economic security -- are among the most anxious and insecure people in the world.

The purposes of this article are to examine the relationships between industrialization, attitudes, and anxiety and then to suggest ways for under-developed nations to speed up the industrialization process without creating all the psychological problems Americans face today.

### ATTITUDES ACCELERATING AMERICA'S INDUSTRIALIZATION

The distinguishing characteristic of all under-developed nations is that they do not possess sufficient capital; they need factories, roads, railroads, tractors, schools, and many other forms of capital. Their most important problem is therefore accumulating capital, and this problem can only be solved if people work hard and consume less than they produce.

America faced this problem many years ago, but a unique combination of geographic, economic, political, and psychological factors enabled us to accumulate capital rather rapidly. The effect of the other factors are better known, but American's attitudes played a very important role in our rapid development.

Our entire tradition emphasizes individual responsibility, discipline, and self restraint. Most Americans believed that: (1) men should be judged by their own actions rather than their ancestry; (2) men should get their primary satisfaction from hard work and accomplishment; (3) men should save their money rather than indulge themselves through excessive consumption. These characteristics stimulate people to work hard and accumulate capital. The opportunities presented by our more open system also drew many talented and ambitious men here. They left their homeland and came to the United States to better themselves. Their skills, drive, and self-discipline contributed immeasurably to our economic development.

Our belief that men should not be judged by their ancestors was related to our basic rejection of tradition. Americans had come from so many different countries that no one tradition could become dominant here, and most Americans believed in future progress and disliked relying on traditions as a guide to action.

Americans also liked machines and got an almost child-like pleasure from gadgets. Our rejection of tradition and mechanical interests led us to look for new and more efficient machines and production methods. Our factories therefore became very efficient, which helped us to compete for foreign markets and contributed in other ways to our economic development.

Most Americans also shared the beliefs that men should invest in their own or at least American enterprises. Most American capital, therefore, helped develop our own economy, a very different pattern from that of other countries where desperately needed capital has flowed out into more developed nations.

Attitudes which stimulate men to work hard, minimize consumption, invest locally, and try new ideas and machines would contribute to industrialization under any system. In America these attitudes were shared by enough people and reinforced by the informal social system, but, because of our belief in personal freedom and individual responsibility, each individual was free to accept or reject these attitudes. Some Americans worked hard, saved their money, tried new ideas, etc., but others preferred a different pattern of life and were free to live as they pleased.

In the Soviet Union a very different pattern was chosen. The government, not the individual, was responsible for stimulating production, restricting consumption, accumulating capital, and developing new methods. People were forced to work very hard, and the government simply refused to produce or import consumer goods. Because the government could exert very tight control over work, consumption, and capital, the Soviet Union was able to industrialize very rapidly, even more rapidly than the United States. Both the Soviet and the American systems have caused rapid industrialization, but as we shall see in a moment, both have created some severe psychological and social problems.

#### ATTITUDE CHANGES DURING AND AFTER INDUSTRIALIZATION

Regardless of the type of economic system, as society becomes industrialized, capital accumulation becomes less important. The Soviet Union now has an adequate capital base, but is so short of consumer goods that their

... these goods for decades.

America, on the other hand, has more consumer goods than we can use and much more productive capacity than we can keep busy. Our central problems are therefore keeping our people and capital busy and distributing our wealth more equitably.

Foreign markets and military spending take up some of the slack, but we still produce much more than we can consume. The emphasis has therefore shifted to restricting production and stimulating consumption. We spend incredible amounts of money on advertising, have government regulations which prevent farmers from producing unnecessary food, deliberately design goods so that they fall apart and become obsolete, and are trying to distribute our wealth so that more Americans can become consumers. Despite these policies we still have excess capital and a huge number of unemployed people.

In our current situation some of these very attitudes which helped us to become wealthy are clearly undesirable, and a new pattern of attitudes, a new American ethic is slowly emerging. Some parts of this ethic have been deliberately induced by government and corporate policies, but most of it is developing spontaneously. The main features of this emerging ethic are:

1. A shift from deferred to immediate consumption. Prudence, restraint, and thrift are no longer American ideals. Today the emphasis is on consumption, and Americans buy goods even if they cannot afford them. Credit policies are extremely liberal, and Americans spend hundreds of billions of dollars on their homes, cars, air-conditioners,

televisions, vacation trips, and other consumer goods and services. Even the government spends more than it receives; deficits have been used repeatedly to stimulate the economy, and the American national debt is over \$350 billion.

2. A shift from production and accumulation to consumption and recreation as the primary sources of satisfaction and status. Recreation and consumption have become the focus of many Americans' lives. They work very short hours and obtain most of their satisfaction from their material possessions and leisure time activities. Their possessions and recreation may also be their primary source of status. A Cadillac, boat, swimming pool, or vacation home confers status on its owner - even if it is not paid for, <sup>and</sup> even insignificant products such as certain brands of cigarettes and beer can be minor status symbols.

3. A shift from inner to other directiveness. Goods are used as status symbols because Americans have become extremely concerned about what other people think of them. Their individualistic grandparents could enjoy their bank balances, but most modern Americans want something more conspicuous, something that shows their neighbors how well they are doing. They desperately need their neighbors' approval because their self respect depends, not on living according to their own inner standards, but on what other people think of them. They are, therefore, very sensitive to peoples' opinions and try to change themselves to fit other people's demands and expectations.

These shifts are far from complete, and many Americans do not share these attitudes. The trend, does, however, seem clear. Every day Americans become even more consumption and status conscious than they were before.

### Anxiety in America

These economic and social developments and the general uncertainty of our times have made America a very anxious nation, perhaps the most anxious nation in the world. Our anxiety is not nearly as well known as our wealth, but there is no doubt that anxiety is one of our most serious problems. For example, every second hospital bed is occupied by a mental patient; billions of tranquilizers are sold every year; one of every twenty adults is an alcoholic; our divorce, homicide, and suicide rates are among the highest in the world; riots and violent demonstrations occur nearly every day; and many young people have rejected American values and withdrawn from our society to become hippies.

Some of these problems are affected by the general uncertainty of our times, but industrialization and attitudes related to it have contributed to American anxiety in four ways:

1. Some aspects of industrialization are inherently anxiety provoking.

Industrialization causes rapid social and technical change which creates uncertainty and anxiety. Men also become alienated from their work and lose their standards of craftsmanship and creativity because productive units become so large and work is broken into such small pieces that they cannot make an entire product or see the concrete results of their work. They also lose control over the pace of their lives and must adjust

passively to the machine and assembly line. These and similar developments are too well known to discuss further, but they are an important cause of Americans' anxiety.

2. The American pattern of industrialization has also created some anxiety. Many Americans have changed jobs and relocated so frequently that they have no roots in any company or community. The family has become much less important because so many of its functions have been taken over by the schools and other outside agencies: old people, retarded children, and emotionally disturbed individuals are normally sent to specialized institutions, and the schools teach children many of the things they formerly learned at home. (For instance, cooking, sewing, manners, even sexual principles.) Because their families do not provide much guidance and are not very closely knit, Americans generally feel lonely and have to depend on strangers for social support and guidance.

3. Other directiveness is inherently anxiety provoking. Unfortunately, strangers are not a very satisfying or dependable source of guidance and support. Tradition, family, and internal standards are much easier to deal with, and a person can be sure of himself and his social position. The approval of strangers is very conditional and can be withdrawn at any time. Their expectations and demands also change very rapidly, so that a person may lose his sense of permanence and identity by trying to change himself too much or too often.

4. But the most important cause of anxiety is that America is a society in transition. Although the other three factors create a great deal of anxiety, the most basic problem is that our old attitudes and habits do not fit our current situation, but we cannot rise above our heritage and respond rationally to the problems of our times.

We are suspended between eras and ethics, unsure of who we are, where we are going, or what we should do. We are so wealthy that further accumulation seems senseless, but we feel guilty about emphasizing consumption. We recognize that materialism is outdated, but cannot bring ourselves to reject it. We know that our wealth is distributed inequitably, but feel that our poor people should earn and save instead of having everything given to them. We realize that the government will have to redistribute our wealth and exert greater control over the economy, but resist further limitations on our freedom.

Furthermore, we are not well equipped to deal with these kinds of problems. We are a nation of doers, not thinkers, and we feel uncomfortable with abstract ideas, ethical principles, and philosophy in general. We therefore try to escape these problems by even more frantic efforts to accumulate and consume. Our activist nature helped us to become wealthy, but it has also prevented us from enjoying our wealth or making the social and ethical changes that our current situation demands.

*end anchor*  
Summary

Our ambition, thrift, belief in progress, and rejection of tradition helped us to accumulate capital and develop our economy. As we became wealthy and more industrialized, these attitudes became less necessary because our basic problem shifted from accumulating to distributing wealth and from building capital to keeping it and our people busy. We have begun to develop attitudes which are more appropriate for these problems, but these attitudes and the conflict between our puritanical heritage and our current wealth have created a great deal of anxiety and uncertainty.



This anxiety makes us very uncomfortable and is a primary cause of mental illness, psychosomatic diseases, violence, political extremism, and many other serious problems.

### Implications for Under-developed countries

The leaders of under-developed countries can accelerate their economic development and avoid some of these problems if they understand the psychological aspects of the industrialization process. They may find it useful to copy from the Americans, Russians, or Europeans, but they must borrow from the appropriate historical period.

In the pre-industrial period all nations - regardless of their political and economic systems - must consume much less than they produce. In America restraint was an individual matter, while the government enforced discipline in the Soviet Union, but no nation has ever industrialized without inhibiting consumption. Unfortunately, many under-developed nations have ignored this principle and have followed our current consumption-oriented policy. They have spent vast sums on automobiles, houses, and other consumer goods; they have wasted billions on military spending; they have built grandiose government buildings and provided extensive welfare services. While some of these things are highly desirable, diverting funds to them inevitably impedes economic development. Under-developed nations simply do not have enough income to support high levels of consumption and still accumulate capital. The leaders of these countries have asked the wealthier nations to assist them, but there is little chance that they will get enough aid or high enough prices for their raw materials to allow them to industrialize without a period of severe

austerity. The leaders of the under-developed nations must therefore make an unpleasant choice; they can either plan for a period of austerity and discipline or allow their countries to remain under-developed indefinitely. If they do wish to industrialize rapidly, they will have to create the sort of attitudes which helped America or use the same sort of massive coercion that the Soviets did. Coercion is much faster, but it requires diverting resources to unproductive police activities, creates resentment (as we saw in the Ukraine in the 1930's, in Hungary in 1956, and in China and in Czechoslovakia very recently), and has several other undesirable consequences (such as the establishment of a totalitarian elite, government instability, and a permanent drain on resources for the police and the army).

While it is harder to create the proper attitudes, doing so has much more desirable long-run consequences than relying on coercion (e.g., greater personal freedom, smaller expenditures for the police and army, greater loyalty to the government). Unfortunately, it will be much harder to create these attitudes in most under-developed countries than it was in the United States. They have more rigid traditions and well established and very conservative oligarchies; they do not receive ambitious immigrants, have more trouble feeding their population, and are more aware of the wealth and consumption patterns of the industrialized nations.

Industrializing nations may, therefore, be forced to use a combination of the American and Soviet systems and rely on both individual attitudes and government coercion. Their governments must use all of the communication and influence methods at their disposal - schools, clubs, radio, television, books, newspapers, and, most important, their own examples - to create

the right attitudes and then back up these attitudes with their coercive powers, even if this requires jail sentences for black marketers, tax evaders, and people with foreign bank accounts. Regardless of the disciplinary mechanism consumption must be restricted; production must be increased; new methods and machines must be developed; and capital must be invested in local enterprises.

Although industrialization is the most pressing problem, planners should also prepare for the psychological and social problems of the post-industrial period. The exact nature of these problems depends, of course, on the pattern of industrialization, but some general suggestions should ameliorate these problems and they may even speed industrialization.

1. Perhaps the most important thing is to preserve the family as the primary social agency and the major source of psychological and social support.
2. Inter-firm and geographic mobility has caused a great deal of anxiety and social instability in America, but neither is necessary for rapid industrialization. The Japanese have demonstrated that a nation can industrialize very rapidly without breaking down the family, the community, or the social structure and tradition. The Israeli Kibbutzim have used a different form of primary group to solve the problems of developing the desert, and they have found that this type of group can provide both economic and psychological security to its members. Inasmuch as Japan and Israel have developed very rapidly without suffering from some of the psychological and social problems of the western and communist nations, their patterns may offer more to the under-developed nations than those of the United States and the Soviet Union.

3. Non-economic motives should be emphasized. Extensive research indicates that cohesive work groups with high production norms, social rewards such as status, and intrinsically satisfying work can greatly increase production without creating the alienation and other problems which come from economic rewards. The Soviets, despite their ideology, have always emphasized economic rewards, and the American system is explicitly based on this principle. While both the Soviet and the American systems stimulate production, they both create alienation, anxiety, instability, and a large gap between the poor and the rich (a gap which is approximately as large in the Soviet's classless society as in America's capitalistic one).

4. Government leaders should also avoid the temptation to borrow too heavily from any economic system. Excessive borrowing may accelerate economic development, but it disrupts the social system and makes people unsure of who they are. Psychological insecurity can be as unpleasant as economic insecurity and causes irrational behavior and social instability.

The United States, the wealthiest nation in the world, has clearly demonstrated that economic security is no guarantee against riots, extremism and demagogues. If under-developed nations borrow too heavily from us, or, if they should borrow from the Soviet Union which has even more serious internal problems, they may find that they do not develop very rapidly or that their economic development creates as serious problems as it solves.