Is Capitalism to Blame? Animal Lives in the Marketplace

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Abstract:
Increasing efficient production of commercial animal products has resulted in decreased quality of life and shorter life-spans for the animals being farmed and bred. Should this animal welfare problem be blamed on farmers or consumers? Or should we blame the capitalist system? I argue that it is precisely the elements of the market economy that make it so successful that also result in poor outcomes for animals in the system. Understanding the way in which capitalism is the problem allows us to think clearly about what reforms are necessary to improve the lives of non-human animals.

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For those of us who are concerned about the place of animals in our world today, it is clear that there is something wrong, and that things have gotten worse in the last century. Most human-animal interactions today have a particular character. The animal is owned by the human; the animal’s movement, diet, relationships, lifespan, and the nature of their death are all controlled by their human owner. The well-being of the animal, moreover, is not the primary motivating criteria for human owners when exercising their power. In fact, I will argue that the primary motivating criteria used by humans when exercising power over animals is profit. Animals are cared for when it is profitable, and they are neglected, tortured, or killed, when it is profitable. Moreover, we should not blame individual breeders, farmers, or even corporations for this state of affairs. They bear some culpability, but because they are operating in a system that operates according to a particular logic, they have a very limited ability to act otherwise. We thus have a systemic problem of animal exploitation.

It is tempting to think that market economies are neutral, that they are neither good nor bad, but will give us either good or bad things as we desire. In some sense this is true, as market economies have given us many good and bad things, both in abundance. My argument implies, however, that the system itself can be the problem. Sometimes, even in the presence of good desires and intentions, we can only bring about good outcomes by changing the rules of the game. This is the situation today with animals in the modern industrial economy.

I will thus argue that capitalism is to blame. But I assign blame to capitalism in a particular sense. It is not the case that we know of some non-capitalist economic system which is likely to treat animals better. I am not going to advocate some kind of eco-socialism or revolution. Instead, I will demonstrate that the problem lies with those parts of capitalist economies that we like best -- those elements that justify our reliance on markets to organize our commerce. Here I will focus on three such elements: the development and adoption of low-cost technologies, the efficiency and accountability that results from stiff competition, and the economizing information that results from specialization. These are the things that cement animals’ place in the economy. Only by understanding the problem this way will we be able
to envision the way forward. To organize the rest of this argument, I will present a case against three propositions. Each proposition could be used to defend the systemic status quo, and the neutrality of our economic system.

1. Modern industrial animal agriculture is actually good for the animals.
2. Farmers are free to choose other farming methods.
3. Capitalism just gives people what they want.

Is modern animal agriculture good for animals?

The claim that is implicit in much of the popular animal industry literature is that modern agriculture and breeding methods are good for the animals in the system. A short version of this argument is as follows: these methods have been developed with intimate knowledge about animal well-being. Farmers and breeders have to guarantee that animals are well-cared for, otherwise the animals would not be productive.¹ To adopt other methods would be ultimately harmful to the animals.

First, it is important to acknowledge the truth in these claims. It is true that animals raised by farmers today, either for food, for experimentation, or as companion animals, have guaranteed adequate nutrition. Compared to life independent of humans or in subsistence farming, this may be a net gain.² Industrially-raised animals also generally have protection from predation, shelter from elements, and some have medical treatment for some diseases. These are all good things.

¹ This claim, while common, was rejected famously in the Brambell report: (Brambell Report, 1965).
² While animals are guaranteed adequate calories to survive and grow, in many cases a more natural diet would improve the animal’s well-being.
The first problem with these claims, however, is that animals are cared for, in this system, not as animals, but as meat or fur-producing machines. Many elements of animal flourishing are ignored, or actively suppressed. Consider that a farmed animal has an interest not just in food, shelter, and security, but also longevity, mobility, relationships, interaction with the natural world, and some degree of autonomy. Productivity is not, in other words, a good metric for well-being. This is most viscerally illustrated by the genetic deformities that are now standard in the world of animal agriculture. Pigs and chickens that grow unnaturally fast and large, or produce extraordinary numbers of eggs are now the norm. These animals suffer from broken and strained limbs as they reach full size, even though they are killed at a very young age. So if we want to claim that animals are getting a good deal from farmers, we have to be willing to accept that it is worth it to trade all of these other good things for some material security. This claim is difficult to justify.

There is a second problem with these claims, however. Even if we accept that productivity is a good metric for animal well-being, farmers cannot afford to ensure maximum productivity, even in these limited terms. Consider Norwood and Lusk’s (2011) example of the tradeoff a farmer faces when raising chickens for eggs: within a narrow range, if she gives the hens more space, they will lay more eggs, if she gives them less space, they will lay fewer eggs. In this case, the farmer will give the hens more space only as long as the additional eggs produced pay for the added cost of the larger facility. As soon as the costs outweigh the revenues from the eggs, the farmer will stop expanding the hens’ space. As it happens this profit-optimizing amount of space is quite small, as we know from observing egg production practices over recent decades.

Moreover, also that while animal agriculture gets the most attention, similar arguments could be made about other animal industries. Animals raised for experimentation are often even worse off than

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3 The routine harms inflicted on animals through these methods of production are well documented by many sources, among them: (Regan, 2005; Singer & Mason, 2006).
farmed animals. It could even be argued that that animals raised as pets, where concern for animal welfare ought to be the greatest, are subject to the same economic forces.

In short, animal agriculture and modern breeding methods are not good for animals. This is not an especially bold claim, but the reasoning is instructive. These methods are designed to maximize profits for producers. With this as the primary goal, animal welfare is ensured only insomuch as that welfare is profit-enhancing. Even productivity is valued only insomuch as it is profit-enhancing.

**Are farmers free to choose better methods?**

If we accept the claim that profit is the primary criteria used to make decisions about animals, what are we to conclude about the people involved? Are farmers greedier today than they were in an earlier age? Has a new breed of wall-street tycoons taken over the world of animal agriculture? More generally, are the farmers to blame? The answer to all of these questions is probably “no.” There has been a change in animal agriculture over the last one hundred years, however, it has not been a change in the moral character of participants, but instead a change of technology and market size. These structural changes have necessitated the focus on profits described earlier. In short, agricultural markets have become so competitive that animal producers are usually not free to choose any method other than the one which is most efficient.

The changes that have occurred in animal agriculture over the last 100 years have been dramatic (Norwood & Lusk, 2011, Chapters 2 & 3). Many have documented the shift from family farms to industrial farming. In animal agriculture this has often taken the form of confinement farming: animals are kept in very small indoor sterile spaces, fed synthetic food, physically altered to fit their cramped environment, and then slaughtered when they reach optimal weight or when their productivity declines. Others have described well the horrors of these practices, I would like to focus on the reasons why these
practices have been so universally adopted. The main driver of this industry change is technology, and there are four such technological developments that are most important.

First, the development of refrigeration has allowed us to preserve meat for longer periods of time. Second, transportation developments have made the long-distance shipping of animal products much cheaper. These two changes have made it possible to raise & slaughter animals in one part of the country, and deliver the animal products to any supermarket in the country. Recently the technology has become advanced enough for this to be true, at a price, for the entire world.

Consider two additional advances that developed over the same period. Synthetic animal food has made it possible to separate animals from a natural environment and feed them cheaply. Indeed the food is now formulated to make them grow unnaturally fast. Additionally chemical sanitation and antibiotics have made it possible to house large numbers of animals in a small space without rampant disease. These two changes have made confinement farming and breeding an efficient system. Moreover, consumer and FDA demands for a sanitary food supply have also resulted in a wide array of standards and quality-control regulations regarding animal production. These standards can certainly be met without the confinement methods commonly used, but it is far cheaper to maintain the required quality control standards if the animals are housed in small barren environments.

In summary, these and other technologies have resulted in centralized animal farming and slaughter, with extraordinarily large numbers of animals being raised in extremely small areas. Far less space and human time is used in the raising of animals, and farmers are able to produce meat that is, by the pound, far cheaper than more traditional methods of animal husbandry.

The second part of this argument depends on the competitiveness of markets for agricultural goods. In part because of the technological changes just described, farmers are now in competition with other producers all over the country and all over the world. Moreover, the buying side of the market is highly concentrated, with firms like Tyson, ADM, and Cargill purchasing almost all of the agricultural
products that individual producers have for sale. The result is that most farmers do not have any power over the price that they charge for animal products. They either accept the market price for their goods, or they can’t find a buyer.

Now we can evaluate the context in which animal producers are doing business. In a competitive market, profit margins are extremely low, and so farmers either have to adopt the low-cost production methods, or go out of business. While government subsidies certainly contributed to the death of the romanticized family farm, the technological developments described here made it almost inevitable. Large confinement operations now account for the vast majority of meat production in the US. Moreover, for most consumers, animal products from these producers are the only ones available in the local supermarket.

Are farmers free to avoid the profit-maximizing strategies that oppress animals? I argue that, for most farmers, there is no choice. Farmers have slowly adopted these methods or have been driven out of business by those who have. This has created a race-to-the-bottom in terms of animal treatment, which has only recently been halted by public outcry and regulation.

It is worth noting, before I continue, that there are some small producers of animal products that have avoided this race-to-the-bottom, preserving either more traditional, or sometimes more innovative animal husbandry methods. At these farms, animals usually have much more natural environments, have the freedom to interact with other animals, and often eat a more varied and natural diet. Joel Salatin is one farmer of this type that has received national attention. There are, in fact, many such producers, most of whom stay in business by selling their products at higher prices at farmers markets, or to specialty restaurants interested in local “humane” animal products.

But even this more “humane” farming is not a systemic alternative. While they might have an important role to play, there simply is not a market for their goods that is nearly large enough to use their farming methods at a larger scale. As a result, their business model cannot be copied by most other
farmers, who would find themselves unable to find large enough markets for their goods. Moreover, it is not likely that the market will grow significantly for these types of “humane” animal products unless we make significant reforms, for reasons that I will describe.

Are consumers to blame? Doesn’t capitalism just give us what we want?

So far I have argued that the production side of the market is stacked against animal interests. Some of the things that make capitalism a good economic system – technology, specialization, low-cost production, and competition – are the very things that push farmers to adopt practices which oppress animals. If farmers have limited freedom in such a system, though, does this mean that consumers are to blame? Perhaps, as some argue, market economies are an ethically neutral system that provide whatever people want, and do so efficiently. If this is the case, the problem would seem to be that people simply don’t want peaceful relationships with animals as much as they want hamburgers.

There is no doubt that our collective apathy about the plight of animals is part of the problem. The last part of my argument, however, is that our market economy is actually biased in favor of the kind of ignorant consumption which drives the market for animals. The system is biased against the kind of conscious consumption that would reward better animal treatment.

The problem is that capitalism does not actually give people what they want. For three reasons. First, we advertise and promote those products that we can make profitably, things that can be monopolized and mass-produced cheaply. The returns to scale in advertising means that goods and services produced by small producers that are highly differentiated will not have a large advertising budget. Thus the whole practice of advertising is stacked heavily against those kinds of goods that cannot be mass-produced. To the extent that such advertising shapes what people desire, it shifts consumption toward the kinds of mass-produced, high-profit-margin goods that we see proliferating in stores. Second, the government is not a neutral party. We have, through regulation and subsidies, heavily favored
industrial production of a few types of agricultural goods (Simon, 2013). Because such regulation is not a necessary part of market economies, this is a topic for another talk. These first two arguments are not direct indictments of capitalism, however, since they are not necessary to the system. The third deserves more attention.

The third reason that market economies do not give people what they want is the problem of information. One of the strengths of a market economy is that it allows commerce to happen even though most participants, individually, know almost nothing about the production of the goods and services they buy. This ignorance is not complete, however. One type of information is privileged in the process: information about the product attributes and the cost of production. These two pieces of information, because they are necessary for exchange, are carefully preserved through the complex supply chains that bring us goods and services.

When walking through a typical retail store customers are bombarded with text and images. Almost all of the information communicated to consumers falls under one of three categories: price information, product descriptions, and advertisements promoting the lifestyle associated with the products. There are plenty of other pieces of information a customer might be interested in, however. They might want to know how much carbon was emitted into the atmosphere in the production of different goods. They might want to know how much the workers were paid who assembled the goods. They might want to know if the firms manufacturing the goods before you gave money to political causes that either excite or offend. And, of course, they might want to know whether the cosmetics they are examining include animal products, or were tested on animals. They might want to know if the “free-range” eggs in the grocery store came from chickens with real access to the outdoors, or if those hens were given, instead, a small outdoor concrete patio that was so small and unappealing that most hens never took advantage of it.

Target, Walmart, and your grocery store are not actively hiding these pieces of information from customers. In most cases, the retail stores probably don’t have access to the information either. And the
companies that sell the products to the stores are not hiding this information -- they probably don’t have access to this information. In fact, in a long supply chain, the only information that is consistently preserved is that information necessary for exchange, which includes what I am calling “privileged” information: cost and product attributes.

It is possible for some of this ethically-relevant information about production to be preserved through the supply chain, but it requires that consumers make those pieces of information a central part of their demand for the good. Even when this happens, though, only a small number of products will advertise themselves as “zero-carbon footprint,” or “cage-free,” or vegan. It is only the products for which finding and preserving this information is easy and cheap that we will get product labels or real informative advertisements. For goods which have longer supply chains, with a large number of inputs from disparate providers, it simply won’t be worth tracking down and verifying that workers really are paid fair wages or that animal products are not being used in the processing.

Moreover, the increase in specialization in the economy creates what economists like to call a problem of “asymmetric information.” In a market where consumers cannot tell the ethical goods from the unethical ones, producers who can save money by producing using unethical methods will always be able to outcompete those who are more conscientious. The result is that ethical consumers, unable to tell the good products from the bad, will either buy the cheapest option, or will retreat from purchasing mass-produced goods altogether. This is what we are seeing in the market for humane animal products. Consumers are opting for less efficient local producers because it is so difficult find or trust humane options marketed on a national scale. Other consumers have a preference for humane production, but have too little information to act on the preference.

The bottom line is this: the specialization that makes market economies so successful also makes it almost impossible for consumers to be informed about their purchases. Without that information, customers are unable to hold producers accountable. Without accountability to the consumer, firms are
forced to fall back into profit-maximizing inhumane production techniques. This problem is a unique result of the competitive market economy that has made us rich.

Reforming the market?

At this point, it should be clear that some of the essential elements of modern capitalism – profit maximization, competition, and specialization – are at the center of the systemic abuse of animals. This broad systemic problem explains why it is difficult to hold firms accountable. However, while the problem goes to the heart of market economies, this does not mean that the solution is to stop relying on the market for food production and distribution. Nor does it necessitate that we retreat into small scale local economies. On the contrary, there are systemic changes that could go a long ways toward fixing the problems described here.

First, it is obvious that collective action is necessary, on multiple levels. First, it is not enough for one farmer to choose more humane methods, or to leave the industry in protest. For the reasons outlined earlier, it is clear that unless all animal farmers changed their business model at the same time, this cruel industrial model will always be more competitive. It is possible then, for industry organizations or some of the large-scale intermediaries in the market to set industry standards regarding the treatment of animals. Unfortunately, there is very little reason to believe that these actors are willing to play the role of ethical leaders. Moreover, it may be that industry organizations and agricultural intermediaries are subject to similar competitive pressures.

This leaves the government as the only actor that can coordinate the actions of the farmers. Note the dilemma faced here: a farmer who wanted to produce ethically would be unable to do so unless a critical number of other farmers agreed to do so as well. And gathering such a coalition is almost impossible when the market is large, the individual players are small, and the agreement would ask each participant to forgo some profit. The government can resolve this dilemma by setting the rules, through
regulation, within which farmers can compete. Crafting this regulation so that it is effective is difficult but possible, and doing so would not just be in the interests of animals. Whether farmers know it or not, good regulation serves the interests of animal farmers, because it frees them up to act in a more ethical fashion. That freedom, in turn, can be the space in which the moral imagination can change regarding the ethical problems of gestation crates, caged hens, etc. As long as farmers’ livelihoods are dependent on using inhumane technologies, we cannot ask them to be the arbiters of whether those technologies are ethical.

Crafting this regulation well is no small task. Ideally it would be consistent across geographic boundaries, to avoid harmful spatial competition in animal treatment. Ideally, the regulation would be similar across similar species as well. Too many of our animal treatment restrictions are inconsistent, based largely on traditions dictating that some animals are companions, while others are food (O’Sullivan, 2011).

Certainly there is a role for consumer action as well. While consumers may not bring about radical systemic change, consumers do have some power. Given the systemic information barriers between consumers and their sources of food, however, consumer choices should be supported by a set of clear reporting requirements regarding the presence of animal products, animal treatment and experimentation, and the environmental impact of a product (Leslie & Sunstein, 2007). Making at least this small change in information availability would allow our market system to be more responsive to a wider set of consumer preferences than it is currently.

More extensive changes are also possible. The need for regulation and consumer information rests on the fact that current property law allows animals’ owners of almost unlimited freedom to use the animal bodies and lives as they see fit. A revision of property law that recognizes broadly the interests of animals, requiring owners to pursue these interests would significantly change the place of animals in the economy (McMullen & Molling, 2015). Reforming the system of property, or altering the set of responsibilities owners have to animals could fundamentally change the system. This should be the focus of policy experts moving forward if the interests of animals are going to be represented in the economy.
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References:


