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The Soul of the Service Economy: Wal-Mart and the Making of Christian Free Enterprise, 1929–1994

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"The Soul of the Service Economy" explains the rise of Christian corporate globalism in the twentieth century—that always unfinished task of sanctifying capitalism and consumption under Christianity. As the biography of the Sunbelt service sector's "free enterprise" ideology, "The Soul of the Service Economy" is not an examination of Wal-Mart itself but rather an analysis of Wal-Mart's world—the network of business, religious, and educational institutions out of which Wal-Mart developed and that it came to support and sponsor. This culture united Southwestern entrepreneurs, service providers, middle managers, students, missionaries, and even waged employees in an ethos of Christian free enterprise. Based upon archival research in local and ephemeral sources, "The Soul of the Service Economy" uses the stories of people linked through Wal-Mart and its philanthropies to understand the shift to post-Fordist regimes in work, in gender relations, in education, and in geography.

The American service economy, like its industrial predecessor, developed from a specific regional culture. But while industrial America was built by and for the urban North, rural Southerners made up much the of labor, management, and consumers in the postwar service sector. Crucially, these newcomers to the national economic stage put down the plough to take up the bar-code scanner without ever passing through the assembly line. Industrial culture was urban, modernist, radical, often Catholic and Jewish, and self-consciously international. The culture that replaced it spoke of Jesus with a drawl and of unions with a sneer, sang about Momma and the holler and the flag, and

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preached individual salvation in this world and the next. This latter culture spread with the wartime economic migrant from the South, both black and white, and almost certainly just one bus ride off the farm. The new audience for Southern culture was no longer confined to the back forties of the old Confederacy, as George Wallace and George Jones, Jesse Helms and Jesse Jackson, could all attest. In short, the muscular radicals of the New Deal Order might have guessed the jig was up when they heard Elvis on Detroit radio.

The current experience of U.S.-dominated globalization thus took shape while the South's star was rising; it seemed likely to bear traces of this nativity. To test this hypothesis, I looked for a Southern institution that depended on such historically specific midcentury developments as the mass entry of married women into the waged labor force; the explosion of mass higher education; the spread of mass consumption; and the eclipse of manufacturing by service. To qualify, this institution had to grow out of local bases in the South to produce both a vast transnational power and a lingua franca of emotionally laden rituals that could bind far-flung individuals into a shared sense of purpose. I needed nothing less than a twentieth-century analogue to the medieval Roman Catholic Church.

What else, then, but Wal-Mart? Long before it commanded national attention with grocery store strikes in Southern California and city council fights in Chicago, the populist provisioner had transformed small Southern towns like my own. Excellent institutional and industry histories—most notably by Sandra Vance and Bob Ortega—already provided the key storyline, and the business press offered expert analysis of the logistics revolution and commodity chains that made discount retail possible and Wal-Mart particularly successful. I could approach Wal-Mart, then, not so much as a business or even the exemplar of an industry but rather as the actor and the object of fundamental structural and cultural changes, one potentially as important as the Ford Motor Company was to the early twentieth century or the railroads to the nineteenth.

Such a multilevel analysis seemed overdue. As the Reagan Revolution of the electoral sphere has gained the historical spotlight, its economic midwife continues to appear in the literature as a high policy issue rather than a grassroots movement. Moreover, analyses of the shift to the service economy narrate the story of deindustrialization from the perspective of an auto plant in Detroit rather than a megachurch in Dallas. "The Soul of the Service Economy" instead tackles the ascendant worldview on its home turf and demonstrates the productive dialogue between the conservative policy makers and their unlikely constituencies in stores, churches, and Christian colleges. By tracking individuals, institutions, and complex networks, "The Soul of the Service Economy" shows how a Christian pro-business social movement grew from the bottom up as well as the top down. Wal-Mart, the paradigmatic multinational service

corporation, both drew upon and created this force. It provides a narrative framework for a story that reaches far beyond aisle five.

Context

A historical view of Wal-Mart exposes a latter-day enclosure movement that has put on the market, at everyday low prices, the work variously called care, service, or reproductive labor. Wal-Mart thus functions as the analytical heir to the Ford Motor Company, that iconic institution of mass production that gives us the historical concept of "Fordism." Strictly speaking, "Fordism" refers to the mass production techniques, the management practices, and the wage scale pioneered by Henry Ford in the United States the 1920s and 1930s, but it can be used more broadly to account for a host of attendant phenomena. By this reckoning, the assembly line at River Rouge, the generous wage, the stock ownership that capitalizes the plant, the racial screening and psychological tests administered to its potential employees, and the nuclear family that takes the Sunday drive are all articulations in a single process. Moreover, this process is understood to effect not merely those involved directly in Ford, the auto industry, or even mass production itself, but also those connected to and dominated by them—all of us, perhaps.

But the period that follows Fordism requires a new organizing rubric. With "The Soul of the Service Economy," I nominate Wal-Mart's world as the appropriate successor. The company claims four strategic advantages for this understanding:

Geography: Wal-Mart arose in the Sunbelt, that blend of the South and West fundamentally shaped by federal subsidies under the Cold War monopsony defense economy. The story of postwar America has been, disproportionately, the story of the Sunbelt's day in the sun. As we qualify national histories with multinational corporations and transnational networks, we should be looking to this region for powerful new postwar actors.

Chronology: The company began in the 1940s as a chain of five-and-dimes, run by a member of the reputed "greatest generation." It then began morphing into discount stores in 1962 as married white women were entering the waged labor force in significant numbers. It went public just as the postwar boom ended in the early 1970s, with the recession and the end of the gold standard remaking the Bretton Woods order. Finally, Wal-Mart led the move into Mexico even before the implementation of NAFTA in 1994 and in fact played an important organizational and symbolic role in securing fast-track authority for the treaty. Thus, Wal-Mart's biography captures the key dates of post-Fordist capitalism and offers a useful, if not utterly unique, lifeline for narrating the larger transformation.

Service: Unlike all the other candidates vying to be analyzed as the rightful heirs to Ford, Wal-Mart has no products. Nike, IBM, Microsoft, RCA, Disney, McDonald's, the entire financial sector—no matter how dispersed production has become and how immaterial many of the products, there is still, at the end of the day, a product created. Wal-Mart distributes rather than produces, and so service is its sole commodity. This reality recasts the traditional story of labor as the production of goods, demanding that service work be considered in its own right and not simply as the final point in a commodity chain. I do not mean to suggest that the factories in China or Honduras are anything but crucial to understanding the Wal-Mart economy. Rather, I simply acknowledge gratefully the vast body of existing work that has already shown us how to make and move a cheap t-shirt, a story that began for Americans in the cotton fields of Georgia and the textile mills of Lowell and has been brilliantly brought up to date by many thoughtful analysts both within and beyond the academy.

Consumption: More than 80 percent of American households shop in a Wal-Mart at least once each year. Yet Wal-Mart barely rates a mention in the recent efflorescence of historical literature on consumption, which largely bases its view of the American mass consumer on the politicized women of the industrial Northeast. To the urban tradition of seducing purchasers in cathedrals of consumption or imbuing citizen-consumers with marketplace rights, this dissertation adds the historical process of creating new consumers in the Protestant hinterlands, a process that demanded distinct cultural innovations. While today the store's appeal may be adequately explained by its physical ubiquity and its well-documented power to squeeze ever-lower prices from manufacturers, such an outcome would have seemed somewhat less than inevitable before the Clinton years.

Synopsis

The dissertation's eight chapters are ordered essentially by chronology from 1929 to the present. The bulk of the material, however, concerns the last four decades of the twentieth century. The timeframes of some chapters overlap as I consider different developments over the same years. "The Soul of the Service Economy" divides roughly in two. The first half follows a somewhat ethnographic, regional storyline: the rise of a new, turbo-charged economic model in the old heartland of populist anti-monopolism. It argues that the service economy—Fordism's Oedipal heir—is the white South's legitimate offspring, not its red-headed stepchild. Like the logic of agricultural improvement or the process of proletarianization, this new phase of capitalism, too, was born in a manger. The mass commodification of service, no less than

earlier market relations, required an agrarian origin. "Post-Fordism," that antidefinition, turns out to be not a theoretical placeholder but a very specific place and time. The free-market Christian South of the post–World War II decades gave the world a model that is now accepted as simply American, or simply reality.

This first section uses Wal-Mart's prehistory to explain how globalization got its twang by analyzing the popular regional movement against chain stores, its legislative offspring, and its eventual compromise with a competing Southern vision of state capitalism. In meeting the local critique, Wal-Mart itself developed a corporate culture particularly suited to the rising Sunbelt service sector. In dialogue with a revived evangelical Christianity, the women in this new work environment developed an ethos of service as a coherent, if implicit, ideology paralleling the older animating creed of producerism. As the rural South shed labor from farms into service positions, work skills coded as feminine became necessary for men as well as women. A theory of "servant leadership" made a virtue of necessity in popular theology as well as in consumer-oriented business circles.

Naturalized gender difference, I argue, emerged as the common language justifying management control. But many wage-earning women in Wal-Mart stores brought a variety of meanings to these "family values." Their elevation of workplace humility, mutuality, and sociability demonstrated that women's increasing legal and economic autonomy did not necessarily foster a desire for equality on liberal terms. I argue that the producerism animating many in the industrial economy shifted not just to consumerism but also to a reproducerism that glorified the formerly humble, feminine labor of care and service against which manly mastery had defined itself. The first half of the dissertation, in other words, narrates the serendipitous, haphazard emergence of a cultural and economic model in a historically predictable time and place.

This model, I argue, then moved from its specific workplace origins to more deliberate cultural production via college business curricula. These served as the new incubators of the white-collar workforce that dominated the postwar domestic landscape, thanks to the new international division of labor that increasingly outsourced production. The explosion of the college population that America subsidized after World War II had different effects in the Rust Belt and the Bible Belt. In Detroit and Newark, the new crop of students came from the households of second-generation factory workers, the descendants of the turn-of-the-century immigration wave. In the South, however, the accounting and marketing students often came straight from the farm, and for many the vehicle for their orientation to the new economy was the vocational business department of the small Christian college.

The second half of the dissertation, then, shows how during the 1970s and

1980s Christian colleges helped businesses like Wal-Mart meet their growing need for technologically sophisticated but ideologically sympathetic managers. These chapters first demonstrate the relationship between a pair of unlikely bedfellows: Sunbelt entrepreneurial corporations with a new need for technologically sophisticated middle managers, on the one hand; and on the other, the Christian colleges left behind in the research-based funding spree of the Sputnik era, now searching for new patrons. Though contemporary observers may find businesses and Bible schools to be natural companions, the potential for mutual benefit was anything but self-evident at the time. Christian institutions' sacred focus had often cast corporate profit-chasing as profane, and companies could be quite explicit about the threat they saw from the faithful. The gradual rapprochement between the two shows historical actors choosing among limited options, often with unexpected results. Like much fresh work in political history, this section illustrates the historical contingency of the conservative ascendancy.

The later chapters relate how a social movement for free enterprise grew through campuses, organized student activism (sponsored by Wal-Mart and its associates, largely through foundations or individual contributions), and evangelical philanthropies and missionary networks to produce an underappreciated form of grassroots globalization. The scope here broadens from the South to the Sunbelt and then to the "near abroad" of Mexico and Central America, following the institutions and actors who spread Christian free enterprise and considering Wal-Mart's new map of North America as redrawn by immigration, joint ventures, foreign trade zones, and free trade agreements.

In sum, "The Soul of the Service Economy" seeks to replace the question "What's the matter with Kansas?" with a more nuanced concern about what matters to Arkansas and its associates. It offers fresh research into the roots of the service economy, the connections between Christian practice and free enterprise, and the foreign diplomacy of private corporations. It traces the personal networks and the collective mechanisms that link religion, work, and culture on the ground. To make its case, it draws on local and ephemeral sources and more than twenty archives in two languages, the kind of painstaking research that could only have been accomplished through the generosity of friends and colleagues in Arkansas, mentors in New Haven, and funders that included several programs at Yale University as well as the Social Science Research Council, the Louisville Institute, the Society for Historians of American Foreign Relations, the Mellon Foundation, the Baker Library at Harvard Business School, and the Woodrow Wilson Foundation. My hope is that this product of so many people's contributions will meet with their respect if not always their agreement.