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From Luxury to the Masses: How Capitalism Empowered the Poor

Watch someone from Cuba or North Korea walk into a Western supermarket for the first time. The look on their face is disbelief, and that reaction captures what capitalism actually accomplished: it took the material conditions of the privileged and made them ordinary. The standard critique of capitalism asks who suffers in making a good. It never asks who can now afford that good for the first time.

CAPITALISM

Watch a video of someone from Cuba or North Korea walking into a Western supermarket for the first time. The look on their face is disbelief. They are standing in an ordinary store, in front of rows of bread and vegetables, an array of different meats and fresh fruits, and they cannot process what they are seeing. That reaction tells you what capitalism and the Industrial Revolution actually accomplished.

Rich people have always lived in luxury. What has changed, what is historically unprecedented, is that the poor and the middle class now have access to goods that were once luxuries. Clothing was handwoven. Furniture was scarce. A family sharing a single bed was normal. The concept of a private bedroom did not exist for most people. Such comforts were the exclusive preserve of the wealthy, produced by skilled artisans whose time and expertise made mass affordability impossible.

The Industrial Revolution changed all of that. Mass production did more than make existing goods cheaper. It invented the concept of consumer goods. For the first time in human history, it became possible and profitable to serve the poor. The typical critique of capitalism never leaves the factory floor. It misses the more important story: what capitalism did to the consumer.

The World Before Mass Production

Economic life before industrialization was almost entirely agrarian. Most people worked land they did not own, producing just enough to survive. Social mobility was nearly nonexistent. Goods were made by hand, and the cost reflected that. Textiles took enormous time to weave and tailor. Metal goods like cutlery and agricultural tools were handmade, sometimes over months.

The hardship is the smaller point. Consumption was structurally impossible for most people. There was no mass market because there was no way to produce for one. The rich had things. Everyone else made do or went without.

Then the steam engine, mechanized textile production, and assembly-line manufacturing broke the constraint that had kept goods expensive: skilled labor time. Suddenly production could scale. Fixed costs could be spread across thousands of units. The average cost per item collapsed, and with it the barrier to ownership for the poor.

Why Capitalism Pointed Itself at the Poor

None of this required charity. It happened because of how markets work.

Every transaction in a market economy is voluntary. To sell something, the producer has to offer the buyer a deal worth taking. That simple constraint forces firms to cut costs and improve quality. It also sends them looking for customers nobody else is serving. A firm that fails to do this loses to the one that does. Henry Ford understood this better than anyone. He built the Model T for the masses, because the sum of all those customers was worth far more than catering only to the few at the top.

Economies of scale reinforced this logic. As production increased, the average cost per unit fell. The lower-income market, which makes up the vast majority of the population, provided exactly the kind of constant and aggregated demand needed to make this work. Basic necessities are purchased repeatedly and consistently. That predictability enabled the standardization that drove costs down further. The poor, precisely because there were so many of them with similar basic needs, became the engine of mass production rather than an afterthought to it.

What the Poor Actually Gained

Food came first. Mechanized agriculture and improved supply chains made it cheaper and more abundant than ever before. The Green Revolution introduced high-yield crops and mechanized harvesting that drove prices down further and enriched diets. Foods like meat and coffee, once consumed sparingly even by working families, became regular staples. Hunger, for millennia the default human condition, became the exception in a functioning market economy.

Clothing followed. Before mechanized textile production, fabric was expensive and most people owned very little. After it, basic clothing became cheap enough to be taken for granted. Mass production did the same to medicine. Antibiotics and vaccines fell in cost so dramatically that treatments once available only to the wealthy became standard care. Industrialized water purification ended the periodic epidemics that had killed rich and poor alike for centuries.

Mass-produced textbooks brought the same economics to education, reaching far more students at far lower cost. Literacy rates rose, and newspapers brought political and economic awareness to people previously isolated from those conversations. Later, cheap computing and the internet transformed access to knowledge.

Diseases that killed kings a century ago are cured today with a cheap prescription. The average person now has better heating, better food, better medicine, and better access to information than the wealthiest people alive two centuries ago. Nothing in human history compares to that transformation.

What the Leftist Critique Gets Wrong

The standard critique holds that capitalism exploits workers and concentrates wealth. The observations behind it are real. Early industrial working conditions were harsh, and inequality has increased in some measurable respects. But the critique starts from a false premise and draws the wrong conclusion.

Marx built his analysis of capitalism around the labor theory of value and surplus extraction. That framework focuses entirely on the production relation and ignores the consumption relation. It asks who suffers in making a good. It never asks who can now afford that good for the first time. That omission is the whole story.

Two hundred years ago, roughly 90 percent of the global population lived in absolute poverty. Today that figure is under 10 percent, and this happened during a period of massive population growth. Whatever it did for the rich, capitalism lifted nearly the entire world out of conditions that had defined human existence since the beginning of recorded history.

On inequality: the distinction between relative inequality and absolute living standards matters enormously and gets almost no attention in these debates. The gap between the richest and the rest has grown in some measures. But the relevant question for anyone concerned with human welfare is whether the poorest are materially better off, and the answer is yes by every available metric. A framework that treats a widening gap as a crisis while ignoring the absolute gains of those at the bottom is a framework for political grievance dressed in the language of human welfare.

The Bedroom

All of this returns to the bedroom.

For most of human history, a private bedroom was a marker of significant wealth. Today its absence is how poverty is measured. That shift captures what capitalism did. It took the material conditions of the privileged and made them ordinary. It did this without redistribution or central planning, but through the relentless pressure of competitive markets serving the needs of the many.

The leftist narrative has not kept pace with this reality. Its focus has drifted from the failed predictions of Marxian economics to a preoccupation with relative inequality that does not translate into any meaningful conclusion about human welfare. It remains a story about exploitation and political power, with no natural place for the person standing in that supermarket, overwhelmed by the ordinary abundance of the Western consumer economy.

That image is the argument. There has never been a better time to be alive regardless of class, and most of that improvement can be traced directly to free market capitalism and its singular focus on serving the consumer.

N.K. Originally published at nikkhoravipour.com/post/from-luxury-to-the-masses-how-capitalism-empowered-the-poor

