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Economic theory conventionally views work as an unpleasant activity engaged in only to earn the money required for consumption. However, a significant and perhaps growing number of jobs also provide other satisfactions in addition to income. This essay explores the economic sources and consequences of "enjoyable stimulation" as a step toward what the author calls "a more general economic theory of human satisfaction." (191)

ECONOMICS AND PSYCHOLOGY

Both economics and psychology rely on an analysis of the categories of human pleasure and pain, echoing themes that can be found as far back as classical Greek philosophy. But while traditional insights have been tested and expounded upon in psychology, in economics the increasing emphasis on formal models has led to excessive simplification and impoverishment of basic psychological assumptions. The works of three distinguished economists--Alfred Marshall, John Maynard Keynes, and Ralph Hawtrey--provide partial exceptions to this pattern, and include provocative but little-noticed discussions of broader psychological motivations.

Alfred Marshall considered the relationship between wants--satiabile desires satisfied by consumption--and activities which may either contribute to producing goods and services for consumption or be themselves pleasurable and desired for their own sake. Initially, human wants gave rise to activities, but later activities like science, literature, art, athletics, and travel were pursued for their own sake. Eventually, these new activities gave rise to new wants, rather than the reverse.

John Maynard Keynes discussed leisure and its dangers in his "Economic Possibilities for Our Grandchildren" (see Keynes summary in chapter 10 of this volume) but, in a well-known passage, also commented on the "animal spirits" of investors. In the latter, he suggests that the profit motive may often be subordinate to the businessman's enthusiasm for risk, daring, and creative exhibition of skill.

Ralph Hawtrey focused on the economics of enjoyable activities much more directly than either Marshall or Keynes. Hawtrey distinguishes between defensive products, intended to prevent or remedy pain or discomfort, and creative products, intended to provide positive gratification or satisfaction. He discusses not only creative products, such as drugs, sports, entertainment, literature, and art, but also the creative aspects of defensive products, such as skilled food

preparation and artistic elements in clothing. His work provides many of the building blocks for a general theory of enjoyable stimulation.

ENJOYABLE STIMULATION

The nature of the interpersonal interactions involved in pleasurable activity seems unclear to economists. But, far from being an isolated or solitary pursuit, activity pursued for its own sake frequently involves interactions between performer and spectator resembling those between producer and consumer of goods. The resemblance is close enough to allow the incorporation of enjoyable activities into economic theory.

An active individual's enjoyable activity may provide satisfaction to many people who are only passive spectators, as well as to the participant. Varying levels of activity may be preferred by different people, or by the same person at different times. Music, for example, can be enjoyed by composing, performing, analyzing and criticizing, or just by sitting back and listening. While passive enjoyment generates demand for performances, active enjoyment usually creates supply for others to enjoy as well.

In some activities, such as sex, sports, social games, and gambling, an active participant requires one or more active partners. The supply and demand for partners are often roughly balanced, typically through barter (each wants similar services) rather than by market exchange. The interaction between performers and spectators primarily benefits the spectators, but is not entirely one-sided: active participants may gain additional satisfaction from their awareness of other people's observation and appreciation. However, because there are more spectators than performers, there is likely to be excess demand for passive enjoyment. Active performers must therefore be paid to increase the supply of their activities beyond the level spontaneously offered through non-market channels.

ECONOMIC VS. NON-ECONOMIC ACTIVITIES

Analysis of enjoyable stimulation reveals that the primary motivation of many economic activities is not, in fact, economic. This is significant in that it shows the market economy to be more open to such influences as "animal spirits," and less self-equilibrating than is sometimes thought. The more important these non-market motives become, the less effective economic incentives will be in governing the economy. The distinction between pleasant and onerous work is not always a clear one; many jobs have significant enjoyable aspects, prompting performance beyond what would be called forth by economic incentives alone. Changes in personal income tax rates often have little or no effect on the amount of work done by lawyers and other professionals, revealing the importance of non-economic motivation.

The dividing line between economic and non-economic forms of the same activity is constantly shifting. News as a commodity produced by professional journalists scarcely existed before the eighteenth century, since letter writing and conversation largely satisfied the desire for information; only the spread of literacy, faster communication, and better printing presses allowed the gradual rise of the media. Personal advice is given for free in most communities; only in an affluent, transient, mobile society does the demand exceed the supply so much that

psychiatry and social work become paying professions. Similar transitions have occurred in the arts, sports, and music. The trend is usually toward the increasing commercialization of enjoyable activities.

Conflict frequently arises between the economic incentive and the intrinsic motivation to perform an activity. Economic incentives usually reward and result in production of more of the same, while intrinsic motivation may induce striving for qualitative excellence, or the making of more difficult, better, or more original products. Monetary rewards have even been shown to decrease intrinsic satisfaction with work in some cases, because it interjects someone else's preferences into the work process.

In a broader sense, there are not two but three motivations for work: enjoyment of work, monetary reward, and fame or reputation among others in the same field. Intrinsic satisfaction should not simply dominate over other criteria; all three represent important social interests. The balance between them must be struck by each individual worker based on the relative weights he or she gives to intrinsic satisfaction, money, and fame.

SOCIAL WANTS, CONSPICUOUS CONSUMPTION, AND NOVELTY

The conflict between the apparently insatiable desire for more income and the satiability of most human needs has led some economists to focus on the desire for social distinction. The desire for positional goods, the outward manifestation of social distinction, is inherently insatiable. The enjoyment of positional goods requires a passive appreciation of them by others.

As individuals seek to emulate those just above them, the rich correspondingly seek to distinguish themselves -- but in ways that continue to be respected by others. To resolve this problem, just the right degree of novelty is required, giving the rich the appearance of being not eccentric or frivolous. Thus, new styles, changing at a measured pace, are continually required and created.