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“Human Values in Work” by Neva R. Goodwin

The first essay in this book -- "The Evolution of Work" -- listed some of the differences between work as a topic of theoretical interest to economists, vs. work as it is experienced by workers, employers, and others in the real world. The simplest view offered by economic theory, in which labor is "just another factor of production," would have much appeal to employers and managers, if could be made operative. For example, in the case of other inputs, a producer can often calculate the relationship between each input's cost and its quality (i.e., its productivity), and can then deploy them so as to maximize the value of output with respect to the cost of inputs. It would be ideally convenient for both employers and economic theorists if, similarly, all that had to be taken into account in relation to labor were the productivity of this input, its cost (wages, salaries and benefits), and the relationship between those two variables.

The essay introducing Part II addressed the uniqueness of labor markets and work processes from the point of view of economic theory. Here we will return to the question of the uniqueness of labor from the point of view of the workers -- who know full well that they are not merely another input. From the workers' perspective, the unique character of work can be put under two main headings:

1) *The issue of human dignity:* First of all, there are good reasons why productivity -- the employers' concern -- should *never* be regarded as the only issue of importance. Workers are people, and people are -- or should be -- served by economic activity, rather than vice versa. To put this in the terms used by philosophers: all human beings should at all times be regarded as ends in themselves, never purely as a means to some other ends.

2) *The issue of motivation:* Even if we accept that human well-being is a final goal, and that labor productivity is only an a means to that end, nevertheless we must still pay a good deal of attention to productivity, as one of the very significant means to human well-being. When we focus on this subject, the first thing to note is that, unlike other inputs to production, workers have minds of their own; there is an intangible thing, internal to human beings (often referred to as "motivation," sometimes as "morale," "commitment," "responsibility," etc.) that affects their performance as workers. Hence, while, in the pursuit of productivity, other inputs merely have to be deployed, workers have to be "managed."

These two issues together set up a tension that has been illustrated in many places throughout this volume. This is the tension between, on the one hand, management's desire to motivate workers simply in order to enhance productivity; and, on the other hand, the fact that, when workers perceive productivity to be the only goal, their motivation is likely to be, at best, shallow, uncommitted, and liable to erosion. Putting these considerations into a broader context, we turn up a question that is often raised by the layperson, but too seldom by economists; namely, is the economy here to serve the people, or are the people here to serve the economy?

The first three sections of this essay will sketch out the dominant approaches to our subjects that are found in economics and management studies (along with some other approaches). In the fourth section an historical and comparative perspective will be used to sharpen our appreciation of the modern work experience. The section headed *Beyond the Paycheck* will offer answers from psychology and sociology as to how people feel about work and unemployment. In the course of the essay it will become clear that there are tensions between the two issues raised above: human dignity and motivation. The penultimate section will address these tensions in the context of the values of work to the worker. The last section will review where we stand in approaching an important social objective: that there be good work available to all who desire or need it.

WORK AS DISUTILITY

As suggested above, the mainstream, neoclassical model that has dominated economics for most of this century has adopted a fairly simple means of dealing with the complexities of labor. Of the two points listed above, the issue of human dignity has received virtually no recognition in standard economic theory, while the issue of motivation has been dealt with by a sleight of hand that chops every working person into two portions. One portion is the consumer, who maximizes his/her utility by allocating available monies to get the greatest possible benefit out of each dollar spent. The other portion is the worker, who perceives work as a *disutility* to be endured solely in order to earn the money that will be spent by the consumer-self.

In the ideal neoclassical world, in which jobs are infinitely divisible, there is a single, master calculation on which the worker and consumer selves collaborate, to determine the point at which the money earned by the last hour of work will yield consumption utility that is exactly equal to the disutility of that marginal work-hour. You are irrational if you work fewer than the optimum number of hours, because then you will forgo a positive amount of utility (i.e., the extra utility yielded by the additional income, minus the extra disutility suffered from the additional hours of work). And if you work more than the optimum number of hours, the disutility of that extra time will outweigh the utility of the consumption permitted by the additional income.

Against this neoclassical view the first argument from reality is that jobs are not infinitely divisible; when you take a job, you normally have to accept the hours that the employer regards as standard -- and in many cases you risk losing the job if you refuse overtime when it is offered. However, this may be changing for some jobs, so that the neoclassical

view becomes, in this respect, less unrealistic. In Part V we saw that "the norm" is getting harder and harder to pin down; the different kinds of work arrangements, with respect to where, when and for how long each person works, are multiplying rapidly. As a result some workers, particularly those with the most marketable skills, may now be able to choose the job that, at least in terms of work arrangements, more closely matches a marginal calculation of utility and disutility.

Many of us tend to view the calculating worker-consumer, balancing the pleasures of consumption against the pains of work, as a mythical construct. Yet there is a grassroots movement afoot in the United States (and now, increasingly, spreading in other countries) which provides surprising support for at least some parts of this neoclassical view. *Your Money or Your Life*, by Joe Dominguez and Vicki Robbin, has sold hundreds of thousands of copies. [I'LL GET MORE PRECISE DATA ON THIS] It was not only on the *New York Times* best-seller list for many months, but was also cited by *Business Week* as a Book of the Year. The book asks its readers to examine what they do to earn money; to consider the quality of life purchased with each additional increment of income; and then to make a realistic cost/benefit analysis, along these lines: "assuming that the purpose of your work is to earn money to support consumption, are you working and spending at the right level?" That is exactly the question presumed by the rational utility maximizer in neoclassical theory. [1]

Some thirty thousand individuals or couples have written to the authors of *Your Money or Your Life*, to say that they have carried out the analysis and have discovered that their previous package of work-and-consumption had been elicited by forces in the economy, rather than coming from true needs or wishes within themselves. When they reversed the priority, making the quality of their lives the end and the economy the means, they found ways to raise their quality of life, while reducing simultaneously their work effort and their consumption. While this book is addressed to the very large group of people for whom earning income is the primary reason for holding a job, it does not assume that all work is done only for money. Indeed, one of the goals of the book is to release people from the income-demands of compulsive consumption, so that they can spend a larger portion of their lives as they wish -- which may well include working for a lower, or a zero, wage at something they really care about.

On the subject of work as disutility, the Marxian contribution has long been an important part of the discussion. Karl Marx had a lively awareness of the role of work as a part of life's fulfillment, but saw this possibility as most relevant to times other than the era in which he was living. Looking back, it related to craft production (though not to agriculture). Looking ahead, he imagined a utopia in which people could choose to divide their work time between hunting, fishing and writing. In his own time, however, Marx saw workers as exploited and dehumanized by a system that "alienated" the worker from his work.

A paper by Kai Erikson (summarized here) explores the meaning of Marxian alienation, noting that the psychological effects of work -- for good or for ill -- are not confined to

the workplace, but affect the individual in all aspects of life. Erikson notes that Marx's images of workers of the past (craftsmen) and the present (industrial, assembly line workers) were alike unrepresentative; nevertheless, the concept of alienation remains relevant, especially where workers either feel that all of their work is controlled by others, not themselves; or where they are obliged to focus upon only a very narrow part of an activity, without a way to connect with the meaning of the whole.

These alienating job characteristics -- often accompanied or created by a management regime of rigid, intrusive rules and close supervision -- appear in many writings, in this Part and in the rest of the book, wherever there is discussion of what makes for bad jobs. These themes are so pervasive that it is almost impossible to find a discussion of positive values in work that does not also deal with the negative side. Often, indeed, good work is described largely in terms of the absence of the above-mentioned alienating characteristics.

THE VIEW FROM MANAGEMENT: FREDERICK TAYLOR AND THEORY X

Much of what has been written on work as an important part of an individual's whole life experience has emanated from the field of management studies. While we must remember that the management point of view can not be identical with the worker's point of view, there is enough overlap that it is worth taking seriously this set of insights into the meaning of work.

A number of exponents of modern management theory were summarized in Parts IV, V and VI. As one reads through these, it is striking how great the influence of Frederick Taylor continues to be. Almost every modern management theory is described, at some point, in terms of how thoroughly it overturns the tenets of Taylorism; while management approaches of which a given author disapproves may be described as maintaining the old Tayloristic principles. A notable exception to this anti-Taylorism is Peter Drucker, a prominent figure in management studies and also a respected commentator on a wide variety of social issues. He defends Taylor on the grounds that the latter was responsible for what Drucker calls the Productivity Revolution -- an increase in output per worker-hour ("labor productivity") that took off in the late 19th century in America due to the application of knowledge to the study and the engineering of work. According to Drucker,

To his death [Taylor] maintained that the major beneficiary of rising productivity had to be the worker, not the owner. His main concern was the creation of a society in which owners and workers, capitalists and proletarians, had a common interest in productivity and could build a relationship of harmony based on the application of knowledge to work. [2]

Taylor emphasized the importance of training, to convey to workers and managers new, more efficient work methods. The discovery and elaboration of these methods was to be performed by "experts," not those closest to the work (workers and managers). The monopolistic limitations on knowledge previously maintained by craft unions were

threatened by Taylor's insistence that all manual work -- both skilled and unskilled -- could be scientifically analyzed, demystified and made more productive; the unions also were offended by Taylor's dismissal of their own knowledge. Their antagonism explains part of Taylor's bad reputation -- with another part explained, by Drucker, as the hostility that Taylor engendered among capitalists, who did not agree with his goal that the workers should reap the rewards of increased productivity. (This hostility on the part of some capitalists did not prevent others from applying Taylor's methods as a means to greater productivity and profits, as the more familiar portrait of Taylorism suggests.) A third, even more salient reason is detailed below; before we get there, however, we should pause to ask whether history actually unfolded as Taylor had hoped -- were the workers the beneficiaries of his principles of scientific management? According to Drucker, yes: workers today receive far higher real incomes for much less work than at the beginning of the twentieth century.

As late as 1910, workers in developed countries still labored as long as they ever had before, that is, at least 3,000 hours per year. Today even the Japanese work only 2,000 hours, Americans around 1,850 and Germans at most 1,600.... Other substantial shares of the increased productivity have been taken in the form of health care, which has grown from a negligible percentage of gross national product (GNP) to between 8 and 12 percent in developed countries, and in the form of education, which has grown from around 2 percent of GNP to 10 percent or more. [3]

Even without resolving how much of this century's growth in labor productivity is actually due to Taylorism, it is useful to set Drucker's broad historical view of labor's gain from productivity growth next to the rather gloomier picture we have seen elsewhere in this book, of a relatively recent decline in the portion of growth accruing to less skilled labor.

Taylor appears to have held something very similar to the neoclassical view of work, as purely a means to the final end of consumption (intermediated by income). A century later we find the modern authors of *Your Money or Your Life* urging their readers to reduce their need for income, so as to reduce their need for work. This message is plausible only because we live in the world that Taylor helped to create -- a world of such high labor productivity that a much shorter work-week (or a shorter working life, with the ideal of self-financed early retirement) can still, when cleverly managed, support a good life. That is, a life that is considerably less dependent upon consumption than what is promoted by the advertisers of the American dream, but that still permits far more comforts and luxuries than were available to our hard-working frontier ancestors.

This is one solution to the disutility of work: reduce the amount that people do. This solution is unsatisfactory in at least one very important respect: it does not address the psychic needs that appear to be best met in work: e.g., the hypothesis stated in the essay by Edward O'Boyle that is summarized here, that "[h]uman beings *need* work itself." (O'Boyle, p. 118.)

Taylor's contribution, directed solely to the ends to which work is a means, ignored the human meaning in the working moiety of the sundered life. This, the deepest reason for his unpopularity, resulted in the dehumanizing management style that was caricatured, as we will see below, as "Theory X." Drucker's defense of Taylor may change our ideas about his motives and give us an appreciation of the productivity gains that have made so much difference in the consumer half of life; but it does not ameliorate the "Theory X"-type effects of Taylorism on the work experience.

THE HUMANISTIC ALTERNATIVE: DOUGLASS MCGREGOR AND THEORY Y

The critics of Taylorism have been vocal ever since Taylor began his work, at the end of the nineteenth century. Douglas McGregor was one who was especially prominent in the 1950s and '60s. The "conventional view" of management's task, which McGregor calls "Theory X," is closely associated with the methods that were used to realize Taylor's proposals for increasing worker efficiency. McGregor described Theory X in terms of a set of assumptions about workers: especially, that they are not self-motivated, and that their behavior must be modified and controlled by external forces to overcome an intrinsic dislike of work and an inability to identify with organizational goals.

It is interesting to note that McGregor does also assume a high-productivity world as the basis for his alternative, "Theory Y." In stressing that a "satisfied need is not a motivator of behavior!" [4] he clearly accepted that the multifold increase in output per hour to which Drucker refers both has occurred, and has been sufficiently well distributed among workers so that most can meet their survival needs, leaving them poised to focus on "higher" needs. This is the core of Theory Y: the idea that, instead of motivating workers via money and threats (appealing to the needs for survival and security), management should address what is best in the workers. The most relevant needs, in this case, are the social needs for association, for belonging and acceptance, for giving and receiving friendship; the individualistic needs for self-esteem, status, and deserved respect; and the self-fulfilment needs for creativity and continued self-development towards realizing ones own potential.

McGregor pointed out that direction and control are useless for motivating people whose focus has moved on from their primary needs. Hence "[t]he essential task of management is to arrange organizational conditions and methods of operation so that people can achieve their own goals *best* by directing *their own* efforts towards organizational objectives." [5] In 1957, when he first wrote his much reprinted essay, "The Human Side of Enterprise", McGregor did not believe that it was yet possible to create an organization that could fully apply Theory Y; but he shared Taylor's and Drucker's optimistic belief that the social sciences would advance until they could tell us how to answer the basic question of management.

That question may be phrased thus: What changes are required -- in corporations, in workers, and/or in society -- to create a coincidence of interest between employees and their employers? As early examples of the directions in which he thought managers should look for this answer, McGregor cites a number of ideas that continue to be pursued today: flat organization; assigning as much responsibility as possible to those at the bottom of the organization; sincere (not sham) participation and consultative management; and encouragement of workers to set their own objectives and perform a significant part of their own self-evaluation.

Perhaps the most dramatic way of contrasting the two theories is to imagine them applied to an archetypical form of labor -- that which is required to bring forth a baby. An understanding of Theory X in fact gives insight into the way the laboring mother was typically treated in first world hospitals from before World War II until sometime in the 1970s. Specialists would apply their knowledge to inducing the body to do its job, but the woman's part of that job would be minimized, divided up as much as possible among the medical personnel. Ideally, the mother would be unconscious, so that the "experts" had to deal with as restricted a portion of the whole person as possible. By contrast, in a hospital that (knowingly or not) is influenced by Theory Y, the medical personnel stand by as coaches, minimizing their direct assistance except under exceptional circumstances. Their goal is to engage the mother as a whole person, helping her to discover intrinsic resources of mind and spirit as well as of body that she can call on to carry out this labor.

These two approaches -- a Theory X version of Taylor's Scientific Management, and a set of possibilities for participation and job enrichment that flow out of Theory Y -- have dominated management theories for half a century. Most of today's discussions are still cast in reference to the two poles. As we look around at the world of work, we can easily identify areas where Theory X prevails and principles of scientific management are still used to analyze tasks so that the need for skills is minimized for their efficient performance; and areas where Theory Y is applied to elicit a wider range of immeasurable as well as measurable skills and involvements of a workforce whose diversity is recognized and appreciated. Most workplaces, however, fall in between the two extremes, developing their own particular mix of Taylorism (as distinct from Taylor's own ideas), McGregor's ideals, and the modern management theories, most of which appear to be considerably closer to Theory Y than to Theory X. Before we conclude, from the latter fact, that the humanists have triumphed, we should note that the assumptions in the literature are very unevenly represented in the workplace, and the longevity of the current theories is not yet assured: this is an area that goes through fads and fashions of thought with considerable rapidity.

HOW SOCIAL AND PSYCHOLOGICAL NORMS ARE SHAPED BY MODERN FORMS OF WORK

The world we know today is different in a multitude of ways -- some obvious, some very subtle -- from the world of two hundred years ago. If we set out to list the differences, we may think of our great mobility in motorized vehicles and our many easy means of communicating with people anywhere in the world; of the wide variety of goods readily

available in stores, which mean, among other things, that it is no longer typical for women to start their day at four or five AM in order to keep their families fed and clothed; or the variety of entertainments, active or passive, that we can purchase. The changes that come to mind first, such as those just listed, are apt to relate to our lives as consumers. However there are pervasive, if less obvious, alterations in our very nature -- the kinds of beings that we are -- where the source of the changes is more directly connected with the way work has evolved during the industrial revolution and the subsequent "productivity revolution" that Drucker described.

The summary of a chapter from Robert Lane's book, *The Market Experience*, begins with quotations from four of the great classical economists, each one emphasizing that what is learned during the work experience will shape the rest of a person's life. The psychologists who are also cited by Lane emphasize the ways in which our work shapes our values, contributing to a culture which, among other things, believes in personal efficacy, tends toward the acceptance of diversity, and is inclined to equate income with personal worthiness.

What was required, in order for modern work to have these different effects from earlier forms of work? As noted earlier, the issue of motivation has a special meaning for the manager or producer, who faces the fact (as noted by William Darity and Arthur Goldsmith, summarized here) that you can pay for human capital, but it will only translate into productivity when activated by "psychological capital," or motivation. In the early industrial revolution this reality was revealed in the need for employers to induce workers to want what the employees had to offer. As E.P. Thompson noted, it was "not until the second half of the eighteenth century that 'normal' capitalist wage incentives began to become widely effective." [6] Thompson's famous essay, "Time, Work-Discipline, and Industrial Capitalism," emphasizes the process by which cultures defined by task-orientation (in which work was measured out by what needed to be done) were displaced by time-orientation, until "[m]ature industrial societies of all varieties are marked by time-thrift and by a clear demarcation between 'work' and 'life'" [7]

Of course, this process has not been uniform. Some parts of the world still retain cultures where the slower pace of life and the habits decried as sins by early capitalists (along with their friends in religion, such as the Puritans, Methodists and Evangelicals) are still accepted as reasonable ways to exist when survival needs do not press. The "sins" that were especially inveighed against were loitering, idling, gazing and sauntering; in fact these sound rather like modern teenagers "hanging out" at a mall. Clearly, even in the industrialized world not all of culture, or human nature, has changed.

Other exceptions within the modern world are far less benign. Within a society where respectability and legitimate access to society's resources depends upon fitting into the culture of employment, those who are totally estranged from that culture are in great peril, and in turn create many dangers for the rest of society. The summary of a chapter from William Julius Wilson's book, *When Work Disappears*, describes the problems of a modern neighborhood when it suffers from persistent joblessness. Role models in such a

community are unlikely to possess the characteristics of organization, discipline, or sense of purpose and self-efficacy. These qualities, so necessary to success in our society, are hard to learn in circumstances where there is almost no regular work and few role-models for the characteristics that go with modern work attachment.

It may be that one of the constants in human nature is a desire to achieve some notion of success; but the definition of success is one of the things that changes most dramatically from one culture to another. In our society, for better or for worse, success is strongly identified with "getting ahead" in terms of having money. The ghetto-related behavior described by Wilson is not caused by a difference from the dominant culture in the definition of success: the difference is that the means of achieving it are virtually beyond reach. The psychological effects on ghetto residents can partly be explained by the "expectancy theory" described in the summarized article by Darity and Goldsmith; contrary to reasonable expectations, in that context effort does not lead to compensated performance within the economic mainstream.

In the paper cited earlier, Lane quotes psychologists George and Caroline Valliant to the effect that a highly significant predictor of mental health is "the willingness and the capacity to work in childhood" (quoted in Lane, p. 247). Rare are the individuals in which such a willingness and capacity can endure if there is no legitimate work to be had.

BEYOND THE PAYCHECK

The foregoing discussion has emphasized that, in a society that is defined (as ours is) by a particular, organized approach to work, those who lack access to work suffer great social and psychological disadvantages. This theme is further developed in summaries by Andrew Clark and Andrew Oswald, citing evidence that unemployment is not sought by ordinary people, who are well aware of its demoralizing effects (of many types -- not only because of the loss of income); and by Darity and Goldsmith, who stress the lingering ill effects upon motivation that result from unemployment.

Going beyond these negative justifications for work, two other summaries comment on the positive values to be found in this part of life. O'Boyle looks at the different kinds of working environment that are needed to satisfy both the individualistic and the social components of human nature. (Here we may see echoes of McGregor's belief in the post-scarcity imperative for work to address people's individualistic and social needs.) True to its background in management theory, this paper stresses the productivity increases with which managers will be rewarded if they attend to these human needs.

Robert Wuthnow goes farther, to examine the evidence that monetary incentives are not all that motivate work. He distinguishes between, on the one hand, the "reward-and-benefit calculations" that the economist and the employer assume, causing them to focus on the wage as prime motivator; and, on the other hand, the moral concerns that rise to the fore when societies have achieved enough affluence so that monetary concerns can (at least in principle) play a smaller role in people's life choices. The moral concern on which Wuthnow focuses is the need for meaning, which causes people to try to shape

their lives in ways that can be explained via a consistent and comprehensible "account" or narrative.

The paper by Kohn et al, summarized here, is an example of a chorus of voices that point to self-direction in work as a major variable affecting the general well-being of the worker (both on the job and in the rest of life). They correlate the desire for self-direction (both for oneself and for ones children) with a work-based definition of social class: across several very different cultures, managers and employers are most oriented toward this value, and manual workers least so.

The summary of a paper by Randy Hodson pulls together several of the themes we have been developing. Starting with the earliest type of work that seems to fit into the modern conception of a job (i.e., work that is done for pay, and that is conceptually and temporally distinct from the other, non-work parts of life), he develops a five-part typology of workplace organization. A number of the characteristics that make work relatively agreeable are depicted by Hodson as highest in early "craft" type of organization, and next highest in the relatively recent experiments with "worker participation", but they took a dip in the historically intermediate stages, of "direct supervision," "assembly line," and "bureaucratic" organization. [⁸]

Hodson's conclusion echoes Marx's nostalgia for craft production, mentioned earlier. Michael Piore is another writer who also celebrates this form. In the paper that is summarized here Piore portrays a work system that appears to have achieved at least one of McGregor's goals. Workers and managers in Italian "industrial districts" have adopted as final ends the relational satisfactions gained through a common, productive endeavor. Economic concerns are no longer goals in themselves, but recognized as useful (maybe even necessary) for the end of maintaining an interactive community of equals. However, this raises a core question for a market economy:

How is it possible to ensure that production serves as an effective means for the community's survival without having the members of the community become so preoccupied with income that action, which makes the community dynamic in the first place, loses its centrality in the community's value system? (Piore, 316)

The solution Piore describes may have some serious flaws. Theoretically, it depends upon a division of work into categories revived from the ancient Greeks by Hannah Arendt. "Activity" is the term used for work such as Piore describes in the Italian industrial districts, which is organized around and through human relationships. Another category, "work," is that process in which human beings act upon the physical world to produce something of permanence. While less value-oriented than "activity," there is at least a dignity associated with the lasting product. "Labor," the least valued process, also operates on and through the physical world, but its outputs are ephemeral. Unfortunately these distinctions bear an unpleasantly anti-domestic cast. This is not surprising, given their origin in a Greek civilization where women and slaves, who did the "labor," were lumped together as non-citizens. Nevertheless, there is still something deeply strange

about disparaging, because of its ephemerality, "the biological process," or "human survival" (Piore's terms). [⁹] This troubling hierarchy is, however, strongly coincident with market values as they are expressed through wages.

THE HUMAN VALUES ACHIEVED THROUGH WORK

This discussion has led us to consider two sets of human values (not necessarily coincident with economic values) that are especially important with respect to work.

The human values attached to the products of human efforts. How much the workers, or other members of society, need and care about the output of a given work effort is related only very tenuously to the value the market puts on the work. However for many workers much of the meaning of their lives is derived from the belief that they are producing something of human value. (This was part of Wuthnow's point, as noted above.)

The values that are intrinsic to the experience of work (as distinct from its products). McGregor made a good start in listing these, when he named some human needs that can be filled in work: survival, security, acceptance, association, friendship, self-esteem, status, respect, creativity, and self-development. As he noted, the first two of these are obviously related to the traditional forms of controlling and motivating labor: wages, and the threat of unemployment. Some of the others (e.g., self-esteem, status and respect) are also to some degree dependent upon an employer in a society where success is defined, in large measure, in relation to jobs and wages.

How do these categories of human values relate to the issues that were raised at the beginning of this essay? In effect, the two issues mentioned earlier -- human dignity and motivation -- pull in opposite directions on the just-described human values. On the one hand, the issue of human dignity emphasizes the fact that, as human beings, workers are, first and foremost, ends in themselves. According to one common understanding, human well-being is the ultimate purpose of the study of economics and of all of its ancillary branches. The well-being of the worker should be no less a concern, in this respect, than the well-being of the consumer.

However, another understanding of economics that is also commonly found in, e.g., introductory textbooks, puts major emphasis upon something that most people would regard as a means, rather than an end: namely economic efficiency. When the question is raised (usually no more than once per textbook): "efficiency to what end?" -- the answer comes in terms that make it clear that the purpose of efficiency is only the consumer's well-being (and that narrowly defined); for it turns out that the goal of efficiency is to maximize output, and hence consumption. [¹⁰]

Raising output depends in important ways on labor productivity; labor productivity depends significantly upon motivation. This linkage has been evident as we have reviewed the leading strands in the literature on management theory (in this and earlier Parts of this book). Encouragingly, from Taylor through McGregor, and on into the present, there is a discernable trend towards recognizing that productivity goals cannot be pursued entirely at the expense of quality-of-worklife goals. There remains, however, a gap between the employer's productivity impulse and the essential issue of human dignity.

THE DANGER OF DIVERGING OPPORTUNITIES

As we look back over this volume, can we find reason to expect to bridge the gap between employers' and workers' goals? Our conclusion is not very optimistic.

We have surveyed a variety of corporate responses to technological change, globalization, and trade, along with an array of competing management theories. A discouraging impression from this survey is an image of how each of these streams

appears to separate and flow into two separate channels. One channel is available to people who have education, imagination, initiative, and the social contacts and socializing experiences that will enable them to find "good jobs." The other channel is where the rest of the job seekers must go: those who do not have the necessary personal and/or social attributes -- or who, even with most of these attributes, continue to be the victims of discrimination.

"Good jobs" possess some combination of the following characteristics: they offer the worker some choice in how, when, where and how long s/he works; they recognize and support the value of cooperation in the workplace; they permit the worker to identify with and to value the output of the work; they offer opportunities for learning, personal growth and career development; they provide adequate or good remuneration and benefits.

The existence of good jobs and their relative prevalence in a society has some, by no means simple, relationship with the general level of labor productivity. Exclusive focus upon productivity, with maximization of output as the ultimate goal, can sometimes lead to a creative and humane emphasis upon what motivates people; however it will never adequately recognize the issue of human dignity. Still ahead is the job of ensuring that the importance of the latter issue is recognized by all participants in the world of work -- from workers to owners of capital. This task can only be undertaken as part of a larger move to reprioritize our goals. Until that more fundamental effort begins, we are unlikely to make much additional progress towards celebrating and building upon the human values in work.

Notes

1. Joe Dominguez and Vicki Robbin, 1992, *Your Money or Your Life: Transforming Your Relationship With Money & Achieving Financial Independence* (New York; Viking Penuin). It should be noted that in other ways the approach of this book differs significantly from neoclassical theory. While the latter assumes that it is always desirable to maximize consumption, Dominguez and Robbin point to a concept of balance which, for many people, implies sharply reduced consumption. While neoclassical economics models work as a disutility, in parts of their writing Dominguez and Robbin emphasize the importance of meaningful work.
2. Peter F. Drucker, spring 1993, "The Rise of The Knowledge Society" in *The Wilson Quarterly*; p. 61.
3. *Ibid.*, pp 63-4.
4. Douglas McGregor, 1957, "The Human Side of Enterprise", originally published in *The Management Review*, 46, No. 11; reprinted in *Leadership and Motivation, Essays of Douglas McGregor* (Cambridge, MA., M.I.T. Press, 1966); p. 9
5. *Ibid.*, p. 15.
6. E. P. Thompson, Dec. 1967; "Time, Work-Discipline and Industrial Capitalism" in *Past and Present* n.38; p. 81.
7. *Ibid.*, p. 93
8. See the summary by Jacoby, in Part V, for a defense of what bureaucratic organization offers the worker.
9. Piore notes that "the distinction [Arendt] wants to make between the two [work and labor] as types of productive activity, is captured by the fact that we speak of the birth process as labor and of an artistic creation as a work of art. The words *Arbeit* and *Werk* are used in the same way in German; *travail* and *oeuvre* in French." (Piore, p. 312)
10. The significance of identifying the consumer's well-being -- or, more narrowly, the maximization of consumption -- as the goal of economics is explored in volumes 2 and 3 in this series: volume 2 is *The Consumer Society* and volume 3 is *Human Well-being and Economic Goals*.

