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Jeffrey Friedman and Adam McCabe

PREFERENCES OR HAPPINESS?
TIBOR SCITOVSKY'S PSYCHOLOGY
OF HUMAN NEEDS

Tibor Scitovsky's *The Joyless Economy*, first published in 1976, created only a small ripple of excitement.¹ It deserved better. With rigor and originality, Scitovsky managed to throw doubt onto the most important category of economic thought: the individual's "preferences." And this had ramifications far beyond economics. To doubt the value of individual preferences is to question not only the utility of wealth, but that of individual freedom.

Thus, *The Joyless Economy* was as much a challenge to the premises of modern politics as to those of the modern economy. It should have gotten a hearing from political philosophers as well as economists. To commemorate the twentieth anniversary of its appearance, we now present a symposium on *The Joyless Economy* in the hope that it might stimulate long-overdue discussion and reflection about the book's economic and political, as well as its cultural, philosophical, psychological, and educational implications.

Scitovsky's chief question was whether consumer capitalism makes people happy; his answer was largely negative. Radicals might have been expected to be pleased with this outcome, but as Amartya Sen notes below, Scitovsky's argument was not much better received on the left than on the right. *The Joyless Economy* was a revolutionary book, but that was the problem with it. It was

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equidistant from both the “conservatism” of economics and the “radicalism” of most opponents of *Homo economicus*. For Scitovsky found fault with the exercise of individual economic choice even when it is *not* impeded by the constraints on individual freedom that concern the left. In attempting to end destitution, exploitation, the manipulation of desire, and alienation from our social nature, the left seeks a goal that is not so very different from that of the (libertarian) right: removing constraints on the achievement of our freely chosen ends. Against this shared preoccupation with liberty, *The Joyless Economy* suggested that our freely chosen ends may be the very source of our unhappiness. Scitovsky (1976, 4) wrote:

We gradually dismantled the Laws of God and came to believe in man as the final arbiter of what is best for him. That was a bold idea and a proud assumption, but it set back for generations all scientific inquiry into consumer behavior, for it seemed to rule out—as a logical impossibility—any conflict between what man chooses to get and what will best satisfy him.

In challenging as “unscientific” the economist’s assumption that individual choice reflects the pursuit of rational self-interest (*ibid.*, viii), Scitovsky also challenged the central tenet of modern liberalism—of both the left- and right-wing varieties.

Drawing on research in physiological psychology (explored in detail in Michael Benedikt’s contribution to the symposium), Scitovsky began with the familiar human tendency to avoid discomfort and seek pleasure; but he challenged the notion that these tendencies are merely two sides of the same utilitarian continuum. In Scitovsky’s view, there are *two* sources of displeasure: not only too much stimulus—pain; but too little—boredom. Therefore, there are two wellsprings of pleasure: the reduction of stimulus that is above its optimal level, and its increase from suboptimal levels.

Affluent societies have, in Scitovsky’s view, produced widespread *comfort* by reducing the sources of pain for most of their members; and by making available the food, shelter, clothing, medicine, and other resources that can be used to counteract the pain that persists. But *pleasure* stemming from the achievement of comfort is short lived. By lowering the level of stimulus, our comfort-seeking choices can lead directly to the other source of distress, ennui. Scitovsky is as concerned to alleviate boredom as to reduce pain. In-

deed, in *The Joyless Economy* he is *more* concerned with the relief of boredom, because affluent societies are less adept at this than at the production of comfort. Affluence quells the uncomfortable stimulus of basic, unmet needs. But as creatures who evolved to take pleasure in striving to meet those needs, we are left unsatisfied when they are sated. "Being on the way to [our] goals and struggling to achieve them are more satisfying than is the actual attainment of the goals" (Scitovsky 1976, 62), for the struggle itself is stimulating and its conclusion creates a void: the need for new stimuli. "Too much comfort," Scitovsky writes, "may preclude pleasure" (*ibid.*); passivity induces boredom.

One way people may overcome boredom is by subjecting themselves to physical stimuli—exercise or sex, for example. (Here Scitovsky may have found a plausible explanation for many aspects of contemporary life commonly blamed on "narcissism" or the decline of "traditional values.") The alternative to physical stimulation is mental relief from boredom—new ideas or information. But information that is *too* novel is unpleasantly overstimulating. "Most of the time," therefore, "we absorb information by relating it to what we already know" (1976, 54). We draw on background information to render new stimuli more pleasant. Scitovsky goes so far as to define "culture" as "the preliminary information we must have to enjoy the processing of further information." Only "stimulus enjoyment" is, by this definition, "a cultural activity" (*ibid.*, 226). Scitovsky's definition of culture, no matter how unpleasantly novel it may first appear, does map onto normal usage to some extent. "The word 'culture,'" Scitovsky points out, "usually makes people think of the ability to enjoy literature, music, painting, and other fine arts whose enjoyment takes effort and time to learn, although the appreciation and enjoyment of food, sports, games of skill and card games, political, economic, and scientific news, and so on are also learned skills and must therefore be included in the definition of culture" (*ibid.*, 226–27).

Inasmuch as we require a cultural education to enjoy novel mental stimuli, perhaps the banal aspects of popular culture are explained by the fact that most of its consumers are not very highly educated, and thus would find sophisticated stimuli too novel to be pleasant.² Scitovsky also suggests that an overemphasis on the consumption of material comforts may trigger, in compensation, the

“extraordinary interest in violence” —the ultimate banal stimulus—displayed by popular culture (1976, 283).

Scitovsky identifies two different respects in which people's untutored impulses may lead them to get less enjoyment out of life than they are capable of. First, they may pursue comfort over stimulation. Programmed, as it were, to meet basic needs that, until the recent arrival of affluence, were virtually never satisfied, we respond to material abundance by, for example, increasing the frequency of our meals and making them more sumptuous, perversely reducing the pleasure we used to derive from much-anticipated feasts. Previously savored pleasures now become necessities whose presence no longer makes us happy, but whose absence causes discomfort. “Affluence crowds out, for many people, the pleasures of want satisfaction” by addicting them to comforts (Scitovsky 1976, 79). Among the many pleasures sacrificed are those from stimulating work, which vanish when work becomes merely a means to the end of buying material comforts.

Scitovsky does believe that the problems of affluence can be overcome by seeking stimulation in activities other than want satisfaction. But as compared to Europeans, he argues, Americans are ill equipped to make this substitution because of their Puritan heritage, which opposes pleasures and education that are not instrumental to “a healthy and productive life” (1976, 207). Hence our preference for vocational training over “frivolous” learning, even in higher education; and the priority we give to “the earning of money ahead of the enjoyment of life” (*ibid.*, 210).

Below, however, Ronald Inglehart provides evidence that the onset of affluence has effected a major shift toward “Postmaterialist” values, even in the United States. Might the Postmaterialist pursuit of novelty turn into a quest for ever-more stimulation that is, in the end, just as unsatisfying as the Materialist pursuit of ever-more comfort? Scitovsky does not think so. “The pleasures of stimulation,” he maintains, “unlike those of want satisfaction, are not eliminated by their too persistent and too continuous pursuit” (1976, 77-78).

The second way our preferences can make us unhappy is by disposing us toward consuming relatively simple, ineffective stimuli rather than more difficult, “cultural” forms of excitement. Many people prefer watching television, driving for pleasure, and shopping to such stimuli as complex “music, painting, literature, and his-

tory" (Scitovsky 1976, 235). But while television, driving, and shopping "can all be very stimulating, up to a point," they "quickly become redundant, unsurprising, and monotonous," because they "are unable to keep our minds busy and unbored" (ibid., 232–33). Hence the often noted dissatisfaction of even the most avid television viewers with what they are watching. The problem, Scitovsky maintains, is not that the stimulus television and the like provides is "inherently inferior, which it is not, but that it is limited in quantity"; the more time one spends on these activities, the less one gains in incremental stimulation. Scitovsky suggests thinking of these "simple pleasures" as "channels through which novelty is transmitted. . . . Without an increase in novelty content, more time spent watching television, driving around, or shopping merely spreads the novelty thinner, increases redundancy, and reduces the intensity of enjoyment" (ibid., 234–35). "The remedy," he writes, "is culture," which gives us "access to society's accumulated stock of past novelty and so enable[s] us to supplement at will and almost without limit the currently available flow of novelty as a source of stimulation" (ibid., 235).

It is not difficult to find grounds for paternalism in Scitovsky's argument. "Since consumption skills are typically acquired by the young while they are in school, more mandatory liberal arts courses in the school curriculum are one alternative," he writes, "and since much of the training in consumption skills is learned by doing, subsidies to the arts are another" (1976, 247). One can also imagine more radical forms of coercion that might find justification in *The Joyless Economy*, since if valid, its argument decisively rebuts the convenient liberal assumption that individual freedom automatically leads to happiness by virtue of the individual's knowledge of her own best interests. The heart of Scitovsky's view is that an untutored desire need *not* serve the interests of its possessor.

Thus, if we step back from the question of what policies should be adopted within liberal societies and consider social systems as wholes, both the democratic and the capitalist dimensions of liberal society appear to be threatened by Scitovsky's analysis. Democracy and capitalism are similar in—ideally—giving people whatever they want, whether in the way of governance or of other "goods" (cf. Scitovsky 1976, 269).³ Yet Scitovsky's argument emphasizes that what people want may be bad for them.

Liberals have traditionally (albeit not universally) sidestepped this

possibility. They have preferred a priori defenses of democracy and capitalism as *intrinsically* just—defenses that are impervious to empirical falsification—over a posteriori defenses of the *results* produced by democracy and capitalism. If, a priori, each individual has the right to live her life as she sees fit, then it hardly matters whether the result of her freedom is satisfaction or misery; what is important is that she have the liberty, and what John Rawls calls the “primary goods,” necessary to live in whatever manner she chooses, *regardless* of how satisfying that choice turns out to be. By the same token, if people collectively have the right to choose whatever governors they want, the wisdom of their choices becomes a matter of, at best, secondary concern. Much more important is the task of blocking power relations that might distort democratic choices. Accordingly, the task of most liberal philosophy has been to elaborate the grounds of individual and collective freedom, and the research agenda of modern political science and sociology has been to identify the sources of tyranny and inequality, and to design institutions and policies that would rectify these evils. Similarly, economists have been largely uninterested in the effects of capitalism on individual well-being, having defined the question out of existence by identifying (objective) well-being—“utility”—with the satisfaction of (subjective) individual preferences.

By denying that objective interests even exist, or by reducing interests to preferences, the defenders of democracy and capitalism cede the empirical ground to their opponents. Thus, most economists are inhibited, by the manifestly false doctrine that there can be no interpersonal comparison of utilities (a doctrine that would render the daily life of friends, lovers, and parents incomprehensible), from even debating the possibility that departures from capitalism might be beneficial—except when such departures would *further* the satisfaction of people’s preferences by mitigating externalities or by providing public “goods.” The door is therefore left open to any manner of interventionist panaceas for the problems Scitovsky identifies.

But those who might see in Scitovsky grounds for using state intervention to rectify the joyless economy face a paradox: the state they would enlist to remedy capitalism is democratic, and the justificatory principle of democracy is the same as that of capitalism—self-governance. A democratic state is thus a rather unlikely means of circumventing people’s untutored desires; those desires are (sup-

posedly) sovereign in a democratic polity as much as they are in a capitalist economy. Scitovsky's own defense of coercively imposed liberal-arts education for children, for example, would have to gain approval from the very electorate that, having failed to receive such an education, could hardly be expected to understand its benefits. His support of public funding for the arts requires ratification by the very public that, prior to the adoption of this policy, would be untrained in its value. Conversely, people who do appreciate such measures would, presumably, be willing to provide them without state involvement (where familiar collective-action problems did not interfere). One of the limitations of the tendency—endemic in democratic cultures of never-ending public-policy discussion—to think in terms of discrete “policy proposals” rather than systemic reform is that the former must be implemented by the very system that has often caused the problem one is trying to ameliorate. The problems caused by errant desires are likely to be exacerbated, not relieved, by the political system—democracy—that gives people what they desire.

The Joyless Economy thus raises some of the deepest theoretical issues in political economy and philosophy, as well as shedding light on a vast range of questions about the merits of popular and high culture, the organization of work, the nature of art, and the best way to live. In its concreteness it underscores the abstractness of contemporary economic and political thought, and it reveals the reason for this abstractness: the conviction that individual or collective freedom to choose how to live is intrinsically valuable. This conviction drains any urgency from the investigation of how we *should* live; indeed, it taints such investigation as suspect, because an open inquiry into whether freedom is good for people, rather than being good a priori, might lead to “elitist” conclusions (as discussed in Schor's contribution below). It is not surprising, then, that such investigation is rare, and that Scitovsky's example is a lonely one.

In light of the profound questions posed by Scitovsky's innovative book, the symposium presented below is but a first step. The implications of Scitovsky's view have not been thought through; the debate has not been joined. The same can be said more generally, however, of most debates about democratic capitalism, or what Karl Popper called the “open society.” The putative empirical benefits of the open society—peace, prosperity, the advance of knowledge, the correction of error—are hardly ever discussed without the

multifying interference of a priori liberal precepts that render such discussions moot. The assumption that capitalism or democracy is intrinsically valuable makes the investigation of their actual effects nugatory.

Merely noting this is not, of course, sufficient to negate that assumption: we indeed should *not* be all that concerned with their empirical effects if democracy and capitalism *are* inherently (and superordinately) good. The argument that they are not inherently good must be made at another time. But one can, at this point, note the following inconsistency: although it is otiose if open societies are intrinsically valuable, discussion of their effects frequently *does* occur. Both the proponents and the opponents of laissez-faire capitalism, for example, dispute whether its consequences are beneficial, not just whether it is inherently just. The problem is that, hamstrung by their commitment to it *regardless* of its consequences, the defenders of the open society tend to reply lazily, dogmatically, or tautologically to its critics, and this allows simplistic paternalism to pass as supremely realistic by comparison.

If Scitovsky's theory stimulates the debate that it should, one can only hope it will avoid this pattern. There are signs, even in this "early" discussion of Scitovsky, that a more realistic approach is possible. Inglehart's contribution, for example, suggests that without paternalistic assistance, generations raised in affluence have already begun to question the hegemony of "comfort." Although it is unclear how congruent "Postmaterialism" is with the pursuit of higher pleasures, Inglehart's research shows that Scitovsky's argument does not necessarily entail paternalism: individuals can, at least when raised amidst material abundance, be relied upon to try to take care of their own need for stimulation as much as their need for comfort (cf. Scitovsky 1976, 78). On the other hand, it might be the case that the growth of state-funded higher education is responsible for the value changes Inglehart discusses. In that case, state paternalism might still be called for—if its systemic costs are not greater than its benefits, and if the paradox of its democratic approval can be resolved.

Albert Hirschman's consideration of the pleasures of "commensality" is another step toward a more nuanced consideration of the open society's effects on our well-being, since it illuminates a uniquely eudaimonistic⁴ aspect of democracy. The association (first evident in classical Greek politics) between commensality, equality,

and democracy that Hirschman describes raises the possibility that both democracy and equality have an instrumental element, rather than being (solely) ends in themselves. Democracy, in this view (which is not necessarily Hirschman's), should at least in part be evaluated empirically—but not merely for its success in procuring the objects of political action (any more than common meals should be evaluated solely on the basis of their success in feeding people). Rather, democracy should be judged by its ability to produce feelings of pleasure among its participants. This position is a step removed from the a priori insistence on freedom, equality, or democracy as ends in themselves, since it is always possible that these purported ends will turn out *not* to produce pleasure—or that, as Hirschman shows below, they may produce pain.⁵

The paternalistic implications of Scitovsky's work are most explicitly addressed in Sen's essay. Sen notes that Scitovsky's "spirit" is not paternalistic, since Scitovsky denies that people would continue their fruitless pursuit of ultimately boring comforts if they were sufficiently self-aware. What they "really" want is pleasure, but what they may "prefer," and end up pursuing, is comfort. But it remains possible that people will not or cannot achieve the self-awareness necessary to transcend their unhappy preferences. As soon as objective needs—the empirical conditions of happiness—are logically separated from subjective desires, there is conceptual space for people "really" to want what truly is not in their interest.

Conversely, if freedom is, as Sen argues, intrinsically (and very) valuable, it is difficult to see why we should be concerned with Scitovsky's, or anyone else's, empirical findings about freedom's potentially unhappy effects. It is this lack of concern, it seems to us, that has led to the neglect of *The Joyless Economy* that Sen, and we, deplore.

NOTES

1. But see *Times Literary Supplement* 1995, where a survey of prominent scholars lists *The Joyless Economy* as one of the 100 most important books of the second half of the century.
2. Perhaps the global appeal of American culture reflects the spread of affluence, which suddenly puts millions of people in need of mental stimuli that are pleasant to the uneducated eye and ear. American culture, being newer than competitors, may simply require less acculturation than the alterna-

tives, making it more universally accessible but, at the same time, less challenging and less satisfying.

3. One might argue that capitalism allows people's desires to be manipulated to favor comfort over pleasure through such devices as persuasive (rather than informational) advertising. But if so, democracy cannot very well be expected to counteract such manipulation, since a democracy's electorate will consist of consumers who, because of their exposure to advertising, will tend to favor government policies designed to encourage the production of wealth, with which they may purchase comforting consumer goods.
4. We use this term advisedly, to mean "happiness-oriented." We do not mean to call forth the Aristotelian connotations of *eudaimonia*, along with the much-disputed question of precisely what Aristotle meant by it. ("Utilitarian" is a better term, except that its association with preference satisfaction is even more misleading than the Aristotelian resonances of *eudaimonia*. It is a striking feature of contemporary philosophical discourse that no term seems available for referring to objectively existing states of psychological happiness, the fostering of which might form the object of social or political philosophy.)
5. In this connection, one of Hirschman's most famous contributions, his distinction between "exit" and "voice," is apposite. There are certainly many times when democracy, due to disagreement and other facets of human nature, is decidedly *unpleasant*. In these instances a market-like "exit" option may prove much more conducive to happiness than requiring those unhappy with their situation to remain engaged in using democratic "voice" to change matters. (Cf. Hirschman 1977.)

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