

Rethinking Human Welfare

In modern industrial economies such as ours, it may seem perfectly rational to accept a philosophy of consumerism. People have little opportunity to choose meaningful work, because the nature of jobs is determined by competitive pressures. The demand for labor mobility disrupts a satisfying sense of community. And the enjoyment of nature is attenuated by urbanization and environmental degradation. Thus, the only thing left under the individual's control is consumption. And it is true that consumption can substitute, however inadequately, for the loss of meaningful work, community, and a decent environment. With enough income people can take long vacations, place their children in private schools, or buy bottled water and a mountain cabin.

Nonetheless, human welfare cannot be measured solely by the ability to acquire goods and services. In addition to consumer sovereignty, our conception of human welfare must be expanded to include *worker sovereignty* and *citizen sovereignty* as well. Worker sovereignty means that people have a choice of jobs — jobs they find meaningful and that enhance their human capacities. Citizen sovereignty means that people can act to create the kind of community and environment they want.

Unfortunately, our present economic system makes it difficult to achieve human welfare in the broad sense. Let me take the provision of meaningful work as an example.

Because of competition, one firm cannot improve working conditions, raise wages, or democratize the workplace if the result is an increase in production costs. Since competition is now worldwide, even a whole country faces difficulties in mandating workplace improvements. It turns out that what people want as consumers — lower prices — makes what they prefer as workers — better working conditions and wages, more meaningful work — less obtainable. This bifurcation is the result of relying on the market as the primary decision-making mechanism.

As a society, we can devise mechanisms for expanding worker and citizen sovereignty. Economists can suggest tools, such as market incentives and taxation schemes, to influence consumption practices. But the first challenge is to expand our view of human welfare, so that we no longer define the individual as a simple consumer of goods and consumer sovereignty as the goal of economic life.

— Charles K. Wilber

Charles K. Wilber is professor of economics at the University of Notre Dame and author, with Kenneth P. Jameson, of *An Inquiry into the Poverty of Economics* (Notre Dame, 1983).