A sketch of an account of the human good and its relation to economic development

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1. Introduction

There is an obvious human interest in the broad and naïve question; do people's lives get better as economic development takes place, and if so, how? Even those who are sure that the direct impact of development is beneficial can learn something from the transmission mechanisms. For many observers, there is more at stake; although there is no doubting the positive impact of economic development on some dimensions of human life, there seems to be some loss involved as well, and facing this possibility might be important in making development work better.

The search for an answer to this question leaves one into a space between three crowded contemporary discussions. The first addresses a question about the human good or wellbeing: what is it for a human life to go better or worse? Both in the Anglo-Saxon world and in Europe, philosophers have been returning to this fundamental question¹. However, most of these discussions have not explicitly considered the effects of economic development and it is often not obvious how they might be applied to them.

The second discussion addresses a practical question about economic development: how should a policymaker judge whether the lives of people are becoming better or worse? This question is distinct in being both empirical and tied to a particular political structure, loosely specified in the term 'policymaker'. Most economic measures, social welfare functions, poverty indices, and capabilities belong to this class, are designed to meet the needs of policymakers in a liberal context, where the policymaker's task is limited by personal freedom; there are decisions that people should make for themselves, and the policymaker does not have to agree with them. As a result, they ask not directly whether people's opportunities are increasing as a result of development. Important as this perspective is, it is also limiting, and part of my task in the current paper is to argue that these limitations matter.

The third discussion is the study of happiness. This has been a boom area in psychology and economics over the last twenty years², arising from psychological data that seemed to bear out a widespread perception that contemporary economic development in industrialised economies is making people much less happy than might have been hoped. Much of this work has been empirical, and its conceptual basis has been derived either from Benthamite utilitarianism or from the idea that people can simply assess the overall quality of their own lives. However, there are some ideas such as the conception of 'flow' developed by Czsikszentmihalyi or the structured account of happiness offered by Seligman (2003) that can be interpreted as contributions to the philosophical debate (Seligman's argument that is conception is scientific and value-free should be rejected). For the kind of account I will be offering, it is neither possible nor necessary to make a sharp distinction between empirical and a priori considerations.

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¹ See, among many others, Griffin (1986), Raz (1986), Darwall (2002), Frankfurt (2004), Ferry (2002), Bruckner (2000)

² See, among many others, Huppert et al. (2005), Kahneman et al. (1999), Haidt (2006), Layard (2005)

This paper is intended to occupy the space between these three discussions. It presents a summary of an account of the human good rooted in the philosophical tradition but designed, among other things, to think about the effects of economic development on the quality of people's lives, abstracting from the needs of the policymaker.

For this purpose, I start by a general characterisation of some positions that have been held on the ways in which economic development may benefit people. The wealth of ideas expressed on this fundamental question, particularly in the last two and a half centuries, is not adequately captured by prevailing formal approaches; formality, whether in the form of preferences, capabilities, or rights, has come at a cost. I shape my brief treatment of this vast and unwieldy discussion in terms of preference-based utilitarianism (including its formalisation in neoclassical economics) and departures from it - not because I am a utilitarian, but because I think this framework helps to formulate some of the space and to draw attention to views that are widely held but rarely voiced in professional circles, and also because the limitations of utilitarianism partly motivate the need for a different kind of account.

I then summarise a new account of the human good. This is a summary presentation of an account that I am developing at greater length in a book. I stress the indefinite article; I see no prospect of any account of the human good being completely correct, and if the best accounts are approximations, there is no need to think that a single account is best for all possible purposes. But I think my account helps to provide a framework hospitable to many questions that have been ignored by most prevailing accounts.

I then turn to the empirical and policy questions opened up by this account. I suggest how the account might influence thinking about policy. I conclude by considering the relation between a general account, such as mine, and the more restricted needs of policymakers. Here I endorse the idea that more restrictive accounts of wellbeing may be needed to guide public decisions in a liberal society, but it is important to be aware of their limitations as well as their usefulness.

2. Preferences and their limits

Since the Enlightenment, much thought about economic development has been either guided by, or in reaction against, the doctrines of utilitarianism. Utilitarianism provides a useful starting point, for two reasons. First, it provides an illuminating way of mapping possible views of economic development. Secondly, the limitations of the utilitarian approach shed light on the difference between restricted, policy-focused accounts and the more general account I discuss later.

I am using the term 'economic development' with deliberate vagueness as a general characterisation of the trajectory that societies follow as incomes rise. The transformations that are generally observed have been carefully characterised by Syrquin and Chenery (1989) and would include:

- increases in per capita GDP
- diverse experiences in the evolution of inequality, with no clear pattern

- an increase in the share of industry and a fall in the share of agriculture, followed at a later stage by a shrinking of the share of industry and an expansion of services
- a reduction in the share of self-employment, and an increase in the share of wagelabour, possibly partly reversed at high levels of income
- increased rates of urbanisation
- reduced population growth, which may start at low levels of income or may be delayed until incomes have already grown significantly
- increased levels of schooling and literacy.
- increased life expectancy and reduced child and infant mortality.

For the purposes of this paper I assume at the outset no normative significance to these transitions; the normative significance will be discussed later. I start here by considering preference-based accounts, and then, briefly and admittedly superficially, describe a wide range of views in which development is thought to modify preferences in ways that affect wellbeing.

Development as the satisfaction of preferences

In one major strand of utilitarianism, economic development improves people's lives by helping them to satisfy their preferences. Provided they have the right information, people make choices that broadly improve their own lives; economic development offers them better options to choose from. Preference is defined in terms of hypothetical choice; one way of life is preferred to another if the person, if fully informed, would choose it over the other.

Preference-based utilitarianism is a relatively late development. The utilitarian tradition of Hutcheson and Bentham initially emphasised happiness or pleasure; Mill and Sidgwick provided hybrid accounts where preferences and pleasure were both included. Preferences have added a greater conceptual clarity to that tradition, partly because their axiomatic structure and empirical and policy implications have been very explicitly developed by neoclassical economics (defined by method of analysis, not conclusions reached), and they provide the conceptual basis for the construction and use of many basic economic statistics including real income and consumption. At the heart of neoclassical economics is an assumption that I shall call 'consumer sovereignty'; that, provided they are well informed, individuals choose what is best for them from whatever opportunities are open to them.

Neoclassical economics often gets criticised for the wrong reasons. It is in fact a remarkably fruitful and supple set of tools. Because this is widely misunderstood, it is worth spelling out the complications that a model that assumes consumer sovereignty can cope with.³.

First, although preferences are taken as given in some sense, they can change for reasons outside the model. For instance, young children's dietary preferences reflect a different set of physical needs that change as they grow. Provided people can foresee not only their tastes but also the value of the satisfaction they will later derive from

³ I have provided references rather lightly in this section, which summarises ideas that have become the common property of the economic profession

their future tastes and act accordingly, consumer sovereignty - the idea that people will choose what is in their own best interest - continues to hold.

Secondly, preferences can change as a result of socio-economic changes or as a result of the agent's own actions. Here too, consumer sovereignty requires only that people foresee both their future preferences and the psychological benefit they will derive from satisfying them. For instance, the fourteen-year old who starts smoking should be able to foresee both their future addiction and the satisfaction they will in future derive from smoking and/or the distress suffered by the consequent craving.

Thirdly, not only commodities but activities that affect wellbeing should be accounted for. In the simplest case, leisure might be treated as a consumer good. In a more sophisticated treatment, different ways of spending time should be distinctly represented, so that wellbeing depends not only on consumption but also on the pattern of time use across different activities. For income measures, this would involve assigning monetary values to different ways of spending times. In practice, there have been estimates of hedonic wages, but these have rarely been included in the measurement of income, and even the measurement of full income (where leisure is included as a consumer good) is rare in practice.

Fourthly, preferences need not be defined directly over consumer goods but can, more stably, be defined over characteristics of the goods or activities that they make possible (an idea generally credited to Gorman and Lancaster). Ideally, measures of incomes would also be derived this way, but this is not usually done and would indeed be very difficult in the case of characteristics such as social prestige. In such cases a gap opens up between the theory and its implementation. In principle, the structure of the theory allows for people to have preferences indexed to particular items such as a particular place, but the representations of preferences used in most economic accounts don't allow for this.

Where tastes are related to items such as social prestige, there is scope for very considerable inefficiencies in market outcomes, particularly if this is more true for some commodities than others. Frank (1999) uses this idea to explain the disappointing impact of American economic growth on wellbeing; mutual overinvestment in positional goods does not deliver increases in welfare (an idea floated earlier by Hirsch (1976)).

Fifthly, although the theory is often presented in terms of the preferences of a household, it is also possible to present the theory in terms of the preferences of individuals, where the household is modeled as some form of game played among the individuals. Whether the resulting outcomes are optimal in any sense will depend on the structure of the game.

Sixthly, nothing in the structure of the theory assumes that everyone has the same preferences, though some of the applications to the measurement of welfare do make this assumption and Becker and Stigler (1977) even, unpersuasively, argued that the assumption is realistic once preferences are defined over appropriate dimensions. However, if preferences are really prior to social processes these differences might be interpreted genetically; if so, one should expect much wider diversity in preferences within than between societies.

Seventhly, the approach can be applied to public goods as well as private ones, and then serves as a normative guide to the selection of public goods that the state should ensure are delivered.

Eighthly, far from ignoring or downplaying the possibility that markets are efficient, neoclassical economists spend much of their time thinking up reasons why markets may fail to satisfy preferences, given their basic trust in people's preferences as a guide to their welfare.

Finally, nothing in the approach implies that the evaluator should put the same weight on the incomes of rich and poor at the margin, and the most interesting applications of neoclassical economics to policy questions have often incorporated a strong priority for the incomes of the poor. Nor is it generally assumed, as is frighteningly often asserted, that different people's welfare cannot be compared. There is admittedly a conceptual difficulty about comparing welfare between individuals whose preferences differ, but that has not in practice deterred neoclassical economists from thinking about income distribution when modelling taxation or project appraisal.

Neoclassical economics therefore makes some kinds of criticism of economic development natural. Criticisms based on income distribution, inadequate provision of public goods, externalities, market imperfections, and limited information are part of the 'grammar of argument' in Hahn's phrase, and in most cases they are widely researched. Such criticisms are rarely used to cast doubt on the basic direction of economic development; they are typically used to identify forms of public action which will make development work better. Criticisms based on the externalities generated by social prestige, which have potentially more radical implications, are usually given less weight, because most economists have been happy to work with an individualistic characterisation of preferences where one's wellbeing is not directly affected by what other people are doing. However, there are some exceptions, such as Robert Frank's work referred to above.

Preference-based utilitarianism has other attractions. It makes it easy to be a liberal; it avoids colonial stereotypes of cultural difference; and it allows a technocrat to offer policy advice without feeling they have to take issue with people's values.

Despite these advantages and refinements of the basic theory, there are some issues that are harder to deal with within the neoclassical approach.

One difficulty is empirical. The extent to which preferences are satisfied cannot be directly observed. Market-oriented behaviour proxies for this under certain assumptions, which have been carefully studied. But not everything that matters is marketed, and although much theoretical work has been done on the revelation of preferences for instance for non-marketed public goods, the empirical work in most cases is limited and inconclusive. It is also important to note that alternative patterns of preferences might produce near observational equivalence unless carefully investigated, but could make a very large difference in achieved welfare. People who care about absolute consumption and people who care about relative consumption will behave similarly in many circumstances, but the welfare implications of increased average consumption are totally different in the two cases.

For these reasons there is a good reason for even a strict preference-based utilitarian to supplement preference-based measures of wellbeing such as real income or consumption with other measures.

But the most important difficulties are conceptual. In order to be sovereign, consumers have to be informed. If consumer sovereignty is to hold in the sense that the consumer can make correct choices determining their status in the future and in possible different states of the world, when their tastes may have changed, they have to be able to imagine what benefits they will then gain from the satisfaction of their possibly altered preferences. This is a fantastically demanding informational requirement; it might be argued that no imaginable being could have the capacity to imagine all possible future mental states and choose neutrally over them. (Even for theists, God is not necessarily imaginable, and this might be one of his unimaginable capacities). This difficulty becomes graver when choices as radical as those involved in economic development are considered. That is, the choices that really drive economic development are necessarily misinformed.

Similarly, the structure of utilitarianism derives part of its appeal from the ease with which values can be derived from an observable pattern of choices rather than the other way round. The human good is defined by what people choose, rather than convictions about the human good determining choices. Once again, this is difficult to sustain. For instance, imagine someone who chooses a particular career because they admire the people they have known in that profession and the ideals they seek to represent. It is hard to see that such a choice could be divorced from their beliefs about the values of the virtues involved in the profession.

Many commodities may be valued, in some sense, for symbolic reasons; Robert Nozick (1993) is distinctive in treating symbolically motivated behaviour as an important and irreducible form of rationality. This is not adequately caught either by treating the commodity itself as an argument in utility functions or by including something like 'prestige' or 'modernity' which the commodity is deemed to produce; for in the case of symbolism, once the symbolism is established, the symbol comes to be wanted for its own sake. Modelling this behaviour requires thought about the way in which things come to bear symbolic meaning.

The idea that the choices that would be made if the individual were fully informed also gives short shrift to the idea of internal conflict. There is no reason to believe that we are completely unitary agents, and there is evidence from neuroscience that we are not; for instance, people whose corpus callosum is severed can reveal different values emerging from the different sides of the brain (see Haidt (2006) for a useful recent exposition). To know what someone would choose we would have to make an assumption about which aspect the personality was in control at the time of the choice. One example, which has been formally studied by economists, is the possibility of time-inconsistency; that the relative weight given to two different periods in the future changes as they draw nearer, causing revisions in allocations between them. But time-inconsistency is only one example.

Nor does it seem right to say that preferences, even when quite clearly defined, are necessarily authoritative. People can make mistakes, perhaps systematic ones. And

there may be admirable and rewarding lives that cowardice or laziness preclude one from choosing even though, ex post, one would have been glad to have chosen them.

I do not claim that these objections are absolutely decisive. The tools of neoclassical economics can be adapted to address them. But as one tries to do this, one gets the sense that the apparatus is being used for a purpose for which it was not designed and has started to creak. It becomes simpler and more natural to move away from consumer sovereignty and ask whether preferences themselves may be improved or worsened by development.

3. The influence of development on preferences

Some conceptual issues

If we do accept the idea that preferences change for better or worse in the course of economic development, how do we deal with it?

Two extreme reactions are to argue that the change in preferences is simply not important enough to be worth paying too much attention to, or that changes in preferences make comparison impossible, given the difficulty in swallowing consumer sovereignty over the large changes one is considering.

Two more subtle ways of avoiding the evaluation of preferences need to be considered. In the first, it is argued that the winner is right by definition; the truth is simply what prevails in a free and open exchange. This version of pragmatism has been championed by Richard Rorty (1999), though he emphasises the importance of the qualification that the exchange must be free and open. I find this ethically and epistemically unsatisfactory; for instance, one can imagine that particular cultural forms disappear in the course of development, and that knowledge of these forms dies with them. The successors have no idea what was on offer in these cultural forms and dismiss them as being of little or no value. It seems to me that the loss of knowledge involved here is real and that whether or not the cultural loss is substantial is an open question in each case.

A second approach would be to argue that development is in fact the outcome of many small choices, and preferences can be trusted over these even if they cannot be trusted directly over the comparison of very different ways of life. So if people insist they are better off at each stage - or one can show that each transition has been voluntary and has come about through expansion rather than contraction of the opportunity set - then one can be sure that they are becoming better off; a chain-index approach. There are three reasons why this won't work in all cases. First, many transformations in development are far from marginal; for instance, the educational process may produce children with very different values from their parents. Secondly, if preferences are changing over time there is no obvious reason why they should be trusted even for local changes. It is worth distinguishing, here, between (a) limited information about what the two alternatives would feel like (b) limited information about one's own future habituation and what that will feel like and (c) changes in preferences even given information. Only the first case is convincingly addressed by this argument. In fact, experimental evidence suggests that at least case (b) holds even

for everyday decisions about food; people do not foresee how their preferences will change about a spoonful of yoghurt in the course of a week (Loewenstein and D.Schkade 1999). Finally, it is not clear that any process of economic development has in fact offered only increases in the opportunity set. It is much more plausible that some interesting ways of life become impossible as economies change, so that the sequence of changes includes some welfare-reducing steps as well as some welfare-increasing ones. If this is the case, the chain index method won't work.

For these reasons, I think that a preference-based approach to economic development may ultimately have to think about evaluating preferences themselves. But evaluating preferences is conceptually not a simple exercise. Three different kinds of judgement are involved.

- (a) The first would judge preferences by whether they more or less accurately track good objects of choice, just as beliefs track truths more or less well. That is, there is some substantial concept such as wellbeing or the human good. In this view, development might lead people to a better apprehension of what is worth wanting, or might distort this relation.
- (b) The second would look more at the nature of the choice made than the object of choice. Some forms of motivation may be intrinsically valuable. Virtuous or moral acts may be valued for their own sake. In the example above, it might be that the work ethic improves the moral quality of people's lives even before the effects on wellbeing are taken into account. Or choices may be made consciously and more or less autonomously, rather than by default; the decision to have children would be an example.
- (c) The third sort of judgement concerns the social benefits generated by preferences. Under some conditions, we know that entirely self-interested preferences, that accurately track an entirely self-centered concept of utility, can produce socially optimal outcomes. But we also know that the conditions are unrealistically strict. Consider, for instance, the realistic case where income is taxed but leisure is not. Let wellbeing depend on public goods, which are funded out of taxation, purchased goods, which are funded by earned income minus taxation, and leisure. It is trivial to show that if people act to maximise their wellbeing, then levels of leisure will be above their optimal level and consumption of public and private goods will be below theirs. Now assume that people feel a moral obligation to work hard. Observing this obligation does not confer wellbeing, not does breaking it reduce wellbeing, but people's behaviour balances their wellbeing against their fulfillment of this social obligation. It is easy to see that, provided the obligation is not excessive, the effect of this obligation may be to increase wellbeing, because of the positive externality generated by the increased tax revenues that become available. Similar effects would hold in an economy with increasing returns to scale or with uncapturable benefits of private investment (say technical progress). One way to understand this situation is that people's preferences are distorted, in that they are not tracking their wellbeing; but this distortion has a beneficial social function. (The effect might be damaging in some cases, for instance if the effect of increase labour supply is lower wages and worse income distribution, or if, as Frank argues, income is a more positional good than leisure).

I shall describe these three forms of judgement as concerning respectively (a) the distortion or accuracy of preferences, (b) their intrinsic goodness or goodness, and (c) their social benefits or costs. (The distinction between the three cases is not always absolutely clear. For instance, one could redescribe the views of the person who makes the second kind of judgement as a case of the first kind of judgement, where it is argued that preferences should track a mixture of virtue and wellbeing, and that therefore the introduction of moral obligation into the pattern of preferences makes them more accurate at tracking that mixture which is what they should be tracking).

Judgements of all three kinds have been deeply influential in thinking about economic development, to an extent which is perhaps masked by the influence of philosophical utilitarianism and political liberalism on professional discourse. Discussion of the effects of economic development or increased affluence on wellbeing goes back to the ancient world and has been continuous since the eighteenth century, and probably the majority of authors in that discussion have been willing to make judgements about preferences, in either direction.

A complete history of this discussion is of course beyond the scope of this paper (it would be worth doing, and has not been done). What I want to do here is briefly to characterise some typical positions in terms of the effect of economic development on preferences. (I am using mainly European experience during the industrial revolution; there is much to be done in looking at similar themes in the literature of developing countries in the twentieth century).

Optimistic views of development's effect on preferences

One idea is that economic development both depends on and fosters better preferences. This idea can be traced at least to the Reformation. Weber's thesis of a 'Protestant work ethic' stands up well in the sense that (a) between 1400 and 1700 there was a change in ethics such that certain virtues came to be more highly valued (b) this change was convenient for the emergence of capitalists and a wage-earning workforce and the subsequent industrial revolution (c) the change was particularly associated with the reformation. This is not to say that the direction of causation is clear or that it did not come to affect Catholic Europe as well as Protestant Europe. (For an argument that economic history has underestimated the importance of cultural factors in determining economic change, see Landes 1998).

The virtues that come to be praised include cleanliness, sobriety, punctuality truthfulness, promise-keeping, diligence, and predictability. As the great manufacturer Joseph Boulton said to his son, 'Distinctness, order, regularity, neatness, exactness & Cleanliness are necessary in the laboratory, in the manufactory, & in the Counting house' (Uglow 2002). These are all naturally linked with a lawlike and disciplined version of Christian practice such as Calvinism and Methodism, rather than the antinomian Lutheran tradition; Luther and Calvin differed, for instance, in how much antinomianism should be attributed to Paul. However, in the seventeenth century high Anglican preachers were also very strongly emphasised the diligent use of one's time (Breen 1966).

Protestantism directly influenced the industrial revolution and an explicitly Protestant work ethic continues to be important in many countries. But the Protestant work ethic is also important because many of its ideas are refracted through the Enlightenment. The enlightenment gave rise to utilitarianism, originally (from Hutcheson onwards) in terms of happiness or pleasure, and much later in terms of satisfaction of preferences. In the eighteenth century the concept of preferences was not centre stage and had perhaps not been clearly articulated. But it would have been quite natural for enlightenment thinkers to think in terms of changing preferences. For an empiricist, associationist philosophy of mind, a preference might be something developed out of experience and subject to change as a result of experience. For a more rationalist, innate approach, there might be a distinction between choices based on desire and those based on reason. In either case, there is room for the idea of what economists would later call endogenous preferences.

The atomistic view of mind that saw the mind as essentially a bundle or succession of ideas argued that activity was needed to keep the flow moving. For several of the Enlightenment philosophers, though rarely as explicitly as for Aristotle, activity is central to humanity. Where they differ is in their understanding of activity. Contemplation doesn't count, and activity is often thought of as inherently goal-directed, with the activity involved actually quite arbitrary. This is an important commonplace of the Enlightenment.

Ferguson, for instance, says 'Happiness is not that state of repose, or that imaginary freedom from care, which at a distance is so frequent an object of desire, but with its approach brings a tedium, or a languor, more unsupportable than pain itself. If the preceding observations on this subject be just, it arises more from the pursuit, than from the attainment of any end whatever; And in every new situation to which we arrive, even in the Course of A prosperous life, it depends more on the degree to which our minds Are properly employed, than it does on the circumstances in which we are destined to act, on the materials which are placed in our hands, or the tools with which we Are furnished'. (Ferguson 1996)

Somewhat similar is this very pregnant passage from Montesquieu's philosophical notebooks (not published until the late nineteenth century): 'One is happy in the pursuit of an object, although experience shows that one isn't happy in the object itself; but this illusion suffices for us. The reason is that our soul is a sequence of ideas. It suffers when it isn't occupied, as if this series were interrupted and its existence threatened. What prevents our happiness is that we would like to be like Gods; but it is quite sufficient for us to be happy like men'. (Montesquieu 1991)

Another example is found in Samuel Johnson: 'If every man were wise And Virtuous, capable to discern the best use of time, And resolute to practise it; it might be granted, I think, without hesitation, that total liberty would be A blessing; And that it would be desirable to be left At large to the exercise of religious And social duties, without the interruption of importunate avocations.

But since felicity is relative, and that which is the means of happiness to one man may be to another the cause of misery, we are to consider, what state is best adapted to human nature in its present degeneracy and frailty. And, surely, to far the greater number it is highly expedient, that they should by some settled scheme of duties be

rescued from the tyranny of caprice, that they should be driven on by necessity through the paths of life, with their attention confined to a stated task, that they may be less at leisure to deviate into mischief at the call of folly. '(Johnson 1753)

This line of thought need not be associated with any religious stance, but there are a number of signs that these thinkers were influenced by religion even when (as with Voltaire and Hume) overtly hostile to many of its expressions (consider, for instance, the influence of the great Puritan epic Paradise Lost on Voltaire's Candide). For some of these thinkers, there is a tension between the naturalism of their philosophical position and their advocacy of some ways of life over others, a tension that also applies to their attacks on religious dogma; it is not clear in Hume, for instance, that there is room for criticism of prevailing beliefs and morality given that his characterisation of rationality and ethics is meant to be based on the scientific, empirical study of humanity. In any case, it is clear that these thinkers' understanding of the nature of activity tended to encourage lives of commercial activity.

A second strand runs through Rousseau to Kant, both thinkers very clearly influenced by Protestant backgrounds. In this form, morality is a matter of self-prescribed law, and for Kant, action undertaken under such a law is the best thing about humanity. In Kant's case, unlike Rousseau, this corresponded with an intensely lawlike and predictable way of running his own life; it is said that the people of Koenigsberg could set their clocks by the timing of Kant's afternoon walk. Kantian ethics could be interpreted in a form that encouraged exactly the kinds of virtue needed for industrialisation, and argued that such virtues had intrinsic, not merely instrumental value.

It is arguable, however, that the Protestant ethic in fact covers two very different ethics. The virtues that were appropriate for labourers were not necessarily the same as the virtues of managers and entrepreneurs. At times, as with Samuel Smiles' 'Selfhelp', the romantic appeal of enterprise is used to motivate people for an ethic that is clearly intended to appeal to workers.

The virtues associated with industrialisation were actively promoted by institutions. Three stand out. First, schools encouraged an ethic that corresponded with industrialisation. I have in my possession a copy of Samuel Smiles' 'Self-help' awarded as a school prize in a Catholic school in South London in 1908 for 'Punctuality, Regularity, Application, and Good Conduct'. (This might be a case of damning with faint praise, but at least shows some of the kinds of virtue that the school felt should be encouraged). For an argument that schools in America promoted differential ethics for different social classes, see Bowles and Gintis (1976). Secondly, factory owners were interested in actively promoting the virtues associated with industrialisation. Finally, military service has sometimes been thought to contribute disciplines valuable for industrialisation. I have seen few explicit references to this, though I have heard this view attributed to one highly respected African head of state, and it lies behind the calls that used to be heard for a return to national service in Britain.

A different approach to the benefits of economic development stresses the power of choice. It is argued that development not only widens the range of choices on offer but extends the domain of things that people make choices about. One important

example is the choice about how many children to have; surveys in many counties find that at the early stages of development many people are quite fatalistic about this, and that as development occurs, people take more active choices. Another change is often thought to be that people become less guided by local attachment and more open to dealing with people more impersonally, as customers, and it has been rued that this development reduces the power of sectarian feelings and ethnic antagonism. Such changes are probably part of what Amartya Sen, for instance, has in mind when he repeatedly refers - in a phrase he borrows from Marx - to 'the idiocy of rural life'.

Pessimistic views

A second group of views is much more pessimistic about the effect of economic development on preferences. Such scepticism starts in the ancient world; Galbraith's phrase 'private affluence, public squalor' is an inversion of a phrase from Horace. Explicit criticism of economic development in the modern world can be traced back to Rousseau, and takes many different forms.

As with the optimistic views, the distinction between views that involve criticising preferences and those that are related to public goods or to distribution is not always easy to draw even conceptually, let alone in the interpretation of authors who were not using the apparatus of preference anyway. But I suggest that the following criticisms of economic development can reasonably be interpreted as being about changes in preferences.

First, it suggested from the English Romantics (under the influence of associationist psychology) onwards that industrialisation corrodes people's sensibilities by removing them from contact with natural things.

Secondly, industrialisation is thought to reduce the scope for action by imposing habits of unimaginative and routine work on people. The reduced scope of heroism in the world has been an issue since Aristotle and in modern times Cervantes; the sense that the factory worker has a diminished life is found in Adam Smith and may be part of what Nietzsche means when he suggests that people are getting smaller.

Thirdly, Marx's 1844 manuscripts on alienated labour suggest that people are alienated from their own activity by the conditions of capitalism. This is not simply a question of the injustice of capitalist exploitation. This sense of alienation in the early Marx is picked by up some of Marx's twentieth-century followers such as Henri Lefebvre and resembles some of the concerns in Pirsig (1974).

Fourthly, since Rousseau, it has been suggested that economic development generates a frivolous demand for commodities and that this contributes to the emergence of social hierarchy and inequality; Eric Fromm's discussion of 'being' rather than 'having' is along the same lines. .

Fifth, economic development may be thought to rupture cultural continuity, as in Goldsmith's 'The deserted village' or Chinua Achebe's 'Arrow of God', where a belief system that supports a dignified way of life collapses under the strain of colonialism.

Finally, industrialisation might involve a reduction in the taste for leisure and the ability to enjoy it.

All of these criticisms are familiar and continue to be current today. My point here is that none of them are adequately handled within the framework of preference-based utilitarianism, and none of them deserve to be ignored.

Hybrid views

It is hardly surprising or interesting that many authors would agree with some of the statements on both sides of this discussion. More interesting, however, is the form that some hybrid views take. There are at least four distinct and influential forms.

First, many of the enlightenment's thinkers were haunted by the myth of the fall of man. We see this hinted at in the passage quoted above by Johnson. Many adopted some secular version of this myth. For instance, Rousseau draws a very sharp distinction between the kind of life that is appropriate and possible in the state of nature and that characteristic of the free citizen in a state that allows him to be free. Rousseau's vision of freedom is in fact very moralistic and pretty much authorises political terror against those who are perceived as less than virtuous. In general, the idea in Genesis that the unpleasantness of work is a consequence of the fall is constantly echoed in the Enlightenment and is found later in Simone Weil's view of work as penance (1950).

Secondly, many thinkers argue that the negative features of economic development are essentially aspects of a necessary temporary stage and can be overcome. The most prominent account of this form is Marx's understanding of capitalism, which itself owes much to Hegel's argument that freedom has to be earned in a historical process; Freud's view might also be seen this way. One of the contributions of the Marxist tradition in economics is to keep alive questions like class formation as part of the process of economic development, which seem to involve the evolution of preferences.

Thirdly, there are thinkers who see some intrinsically perverse preferences as being socially beneficial. This is suggested by Mandeville, though Mandeville himself is more equivocal about development than one might expect.

Fourthly, there is the fear suggested by Adam Ferguson that capitalism tends to destroy the virtues that it feeds on. For a modern presentation of something like this view, see Wiener (1981).

Finally, there is often a strong sense that the virtues characteristic of industrialists are partly simulacra and in general less pure than the ideal. This sense gives much of the complexity and interest to Hogarth's representations of the conflict between vice and virtue.

How to appraise development in a context where preferences are changing

This very quick survey of one of the most important conversations of the modern world may leave a sense of bewilderment. How could one begin to grapple with these issues? I think the relative absence of this conversation from the policy process rests partly on this difficulty.

One difficulty is the shortage of evidence on many of these claims, or rather, the absence of any clear consensus on what would qualify as such evidence. A reaction would be to reduce the scope of the discussion from 'economic development' -an admittedly naïve term - to one particular episode in the process, and to focus on a subset of the possible effects that were discussed above.

But another difficulty is conceptual. Once we move away from the appeal to preferences and the analytical implications developed in neoclassical economics, there is no overarching account of wellbeing that offers similarly detailed insights or commands similar consensus. This doesn't rule out some piecemeal appraisal - one can make value judgements without having a comprehensive account of one's values; but it does make the judgements somewhat precarious.

For this reason, I think that the question addressed about economic development requires another look at the philosophical question: what kinds of human life should we want to see? The next stages of this paper sketch an account of an answer to this question.

4. The human good

The object of my enquiry is the human good. I shall say that one possible life is better or worse than another, in this sense, if, for its own sake (rather than instrumentally) it gives an observer more reason than the other to be glad that someone is living it. More informally, it is the kind of thing we should want to see more of.

For some readers, it will seem almost axiomatic that this concept is met by an account of wellbeing. However, there have been views of the human good in which wellbeing is not the primary consideration. For Kant, as for his follower D.M.Ross (1930), the most important thing in the human good is the moral quality of the will. Ross explicitly says that we should wish our friends to be morally good before we wish them to be happy. I do not follow Kant and Ross in this, but without a concept of the human good one has nothing to disagree about. Moreover, wellbeing as usually conceived is strictly individualistic in that social welfare is a strictly increasing function of individual welfare and nothing else. But it is worth at least considering views where equality or diversity are of importance in their own right. There is a trained blindness in accepting a definition of one's fundamental concern that eliminates for instance the death of languages or an increase in cultural homogeneity from consideration as matters of intrinsic (not merely instrumental) concern.

5. The status, basis and sources of accounts of the human good

Status

The ultimate objects of evaluation are possible lives, or more strictly, possible worlds with possible lives in them. I assume that possible worlds are individuated at least as finely as the trajectory of every particle in the physical universe and that some possible worlds are better than others. That is, if one could enumerate a set of possible worlds, one would be able to construct at least a partial ordering of them in terms of the human good. This is an absolutist commitment without which one won't get anywhere. However, I do not assume that this ranking would be complete; some pairwise comparisons may be indeterminate. In practice, short of a print-out of the position of every particle in the universe, language cannot identify possible worlds uniquely. One is always talking about sets of possible worlds. Now I see no convincing reason to think that any verbal characterisation will pick out every evaluatively relevant consideration, any more than it is possible to evaluate every chess position accurately without exhaustive calculation of all variations as in a tablebase. If so, any verbal account of the human good will be an approximation. The usefulness of an approximation will depend not only on accuracy but on interest and context.

Basis

An account that is intended to help evaluation across wide cultural distances has to appeal to more or less universal features of humanity. Two portmanteau terms for what philosophers have taken to be universal are reason and nature.

What I need here is an appeal to reasons that can be universally attributed to any impartial human observer. The idea of objective reasons is in general controversial among philosophers. However, many contemporary philosophers have used reasons as a way of bridging the perceived gap between facts and values. I want, here, to impute a very simple kind of reason: a reason to be glad about someone else's life. A canonical case might be gladness at a young child's smile; there does seem to be something wrong - something not quite human - about someone who does not feel this. It is reasonable to ask for some kinds of consistency as well.

In order to flesh the account out, I draw attention to three features of the human conditions that I take to be universal. (Note that in saying this, I am not asking that the features I identify are universally recognised, merely that all human lives can accurately have them attributed of them).

First, human beings are multi-aspect; they can be thought about in third, second and first-person terms. (I am not sure whether all human languages exhibit equivalent grammatical structures, but it is hard to imagine a language in which one could not refer to others, to one's interlocutor, and to oneself - we might not recognise a communications system in which this was not possible as a language. For a similar idea, see Todorov (1998)). Recognition of the third-person perspective involves recognising that we can be seen as biological creatures. The second-person perspective is fundamental to language and human society, and has been seen as

fundamental to morality. It has had a great deal of attention in twentieth-century Anglo-Saxon philosophy. The first-person perspective, however, is crucial to any persuasive account of the human good (and its recognition owes much to the line of thought flowing from Jewish sources through Paul and Augustine to philosophers such as Heidegger). Some form of deference to the person's own perspective is called for in an account of the good, though not necessarily the specific form of preference-based utilitarianism.

Secondly, human beings are temporal. Attribution of interesting predicates to people depends on activities typically in three tenses; present continuous, present habitual, and conditional. We are what we are in virtue of what we do, are doing, or would do in certain circumstances. Some authors urge a distinction between 'having' and 'being', but being depends on doing; having is something significantly less primitive and universal.

Thirdly: as active and rational creatures, there are questions that it is natural to ask about the activities we undertake. I suggest four general kinds of question: why do you do it? what attitude do you have towards it? what do you believe about it? what do you experience through it?

These three sets of observations contribute to the descriptive schema which I present in the next section.

Sources

A philosophical account of the good is verbal, and is bound to reflect some of the assumptions built into the ethical vocabulary that the language makes available to the philosopher. There is much to be said for awareness of the sources of the language one uses. English ethical vocabulary draws on a number of intellectual traditions including Greek and Jewish traditions. Contemporary philosophy has tended to select disproportionately Greek terminology, in comparison with everyday language. Terms such as 'love', 'joy' or 'spirit' are central to the Jewish tradition and enter Christianity from that source; they also remain important to many people's everyday evaluative vocabulary. To attempt to write ethics innocent of the history of the terms one uses incurs the risk of accidentally importing certain assumptions.

In addition to sources that cannot be escaped - because they have been long present in the language - there are sources that have entered the culture more recently, or remain little known. Given that there are an infinite number of possible approximations, the use of ideas from any particular tradition is optional.

6. A proposed account

The idea of a lifestyle

I use the third of these observations to develop a way of describing lives, which I shall call a lifestyle, comprising: the activities regularly or occasionally undertaken, the

reasons for them, the attitudes the person holds towards them, their beliefs about them, and the experiences they derive from them.

One very important caveat here is that one always has a large number of possible ways of describing what one is doing at any moment. Some are publicly accessible, others may be quite private. Descriptions of activities may also involve a significant reference to particular people or places.

The account of the human good that I develop is based on this descriptive schema.

Reasons

Of the very wide range of reasons that people may have for doing things, three categories stand out. Some activities are undertaken for their own sake, that is, autotelic. Some are undertaken out of moral commitment. And some are done out of a need to earn a living. (In practice there is often a blurring of the second two categories; someone may feel an obligation to work for their living rather than depending on handouts).

My main proposal is that on average, lives are better where more activities are autotelic i.e. done for their own sake. In this, I follow Aristotle. This proposal flows rather naturally from the structure of the account; given that activities are important and are characterised by reasons, it seems very natural to argue that where activities are inherently valued by the person doing them, they should also be valued by the observer - that is, such activities form part of the human good. And there is the further idea that a successful life involves finding activities that one can value for their own sake.

Although this suggestion seems simple, it requires some careful qualification. First, it is very important to remember that there are multiple descriptions of what one is doing. Activity that is coerced under one description may be autotelic under another.

Secondly, many activities are undertaken for mixed reasons. Two important examples are childcare and religious worship. Childcare is perhaps the most important of a set of activities that might be called 'labors of love', where the autotelic is entwined with the necessary. Moreover, an activity may initially be instrumental but come to be valued autotelically; a career might develop this way. Or an activity might initially be autotelic but not under the description of its link to a particular person, but come to be so linked; one can imagine an arranged marriage developing in that way. Other complex cases are activities undertaken to fulfil social or mythical roles or to achieve self-establishment.

Autotelic activities may be spontaneous, but need not. Moreover lives lived with a high degree of routine may have considerable spontaneity under other descriptions. Kant and Wittgenstein had a notorious love of routine, but described in terms of the content of their thought, their lives were full of new and unexpected discoveries.

This account shares with the utilitarian tradition a deference to the values of the individual, but not quite in the same way. First, I restrict the range of preferences that

I consider. (One reason for this is that desires to spend one's time in a particular way are inherently limited, unlike desires to possess commodities, and do not encounter the same problems of adaptation and insatiability; a second is that desires for commodities are typically desires for a means rather than for final ends; and a third is that some such demands are inherently competitive and might therefore be netted out of the human good at a collective level. But commodities will still enter the account if they enter into the significant description of an activity). Secondly, I consider actual rather than hypothetical preferences. Thirdly, I make a distinction, which the device of preferences elides, between doing something merely out of habit or inertia and doing it for its own sake. Paradigmatically, the autotelic involves passionate attachment to the activity under some description. Fourthly, it seems relevant here to think that in the best lives activities are chosen in full awareness of one's own mortality (as stressed by Unamuno and Heidegger or by those American self-help gurus who urge 'life is not a dress rehearsal'). Finally, there is room within the account to distinguish between mature and immature values, to suggest on Hegelian lines that this form of autonomy is necessarily hard-won.

Aristotle thought that contemplation was typically more autotelic than action (praxis) and much more so than making things (poiesis). He sometimes considers a fourth kind of activity, arrangement (taxis). Although I do not want to follow Aristotle all the way here, I do think that an account that endorses the autotelic is likely to rate contemplative activity highly. In particular, we start and end our lives in contemplation and there is a sense in which practical or creative activity, to the extent that it is autotelic, is itself rooted in the contemplative.

It is also important to acknowledge that the idea of autotelicity is fraught with paradox. Even within an activity like playing a game or writing a poem, the specific actions can be seen as means to an end. The contemplative raises particular paradoxes; contemplation or attention may be autotelic, but it is inherent in attention that we do no entirely control that to which we attend - certain passivity is part of the deal. At the most basic level, one chooses to see a film or read a book precisely because one cannot precisely foresee their contents. Contemplation can indeed involve suspension of the evaluative. I think these paradoxes are more than technicalities; they reflect some of the tensions that interested the Enlightenment thinkers.

The evaluation of the autotelic adopted here runs counter to two widely influential traditions. One is the Kantian moral tradition in which the best life is that where activities are undertaken out of duty. It should be noted that Kant himself seems to have found this view excessively harsh for mortal humans, since he seeks a reconciliation of happiness with morality by a process of moral development to be undergone in current and future existences (an aspect which many of his contemporary admirers simply ignore).

The second is the idea that the good life is the life of paid employment - an idea that has much political backing even if little philosophical endorsement.

I do not rule out the possibility of a reconciliation through some form of spiritual discipline. In some forms of Buddhism, the autotelic activity recommended could be understood as basically attention to the daily tasks one happens to have to do. That is,

the physical activity is not itself important, and the focusing of the mind on whatever the activity happens to be is what matters. I do, however, think that pending such a reconciliation, there is a strong tension between my view and the practical functioning of most rich societies, and this may account for much frustration and unhappiness.

It is sometimes argued that Aristotelian accounts of the good are inherently elitist (for instance, Nussbaum's view of capabilities has been seen this way. I doubt this, particularly when it is recalled that activities have multiple descriptions. It has also quite often been suggested that the Aristotelian esteem for leisure depends on a slave or helot class. Even in ancient Greece, it is not clear that this is true; leisure could have been more equally distributed. Modern technology has also changed the possibilities.

Attitudes

The reason for which something is done is not equivalent to the attitude taken towards it. I consider three aspects of this here: spirit, esteem for the activity, and self-esteem in the activity.

Activities can be conducted in various spirits: graciously, generously, earnestly, playfully, willingly, resentfully, ironically. The idea of 'spirit' in this sense is arguably a residue of the Jewish and Christian tradition (although there are places in Roman poetry where a similar idea crops up, the Pauline dichotomy of flesh and spirit is rather different from the Platonic one of soul and body to which it no doubt responds) and I think a valuable one.

The spirit in which things are done is clearly important in any satisfactory description of people's relation to their activities, but its evaluative significance is not so obvious. It is tempting to say that in the best life activities would be done enthusiastically, whole-heartedly (in Joseph Raz's formulation). There is something right in this, but it remains too simple. First, it applies most persuasively to autotelic activities. It seems to be appropriate that someone should be somewhat detached or ironic about non-autotelic activities.

Perhaps the condition of thinking of oneself as 'working-class' has to do with exactly this sense of irony about activities that one does not control, and I am not sure that we should seek a utopia where no-one thinks of themselves as working-class in that sense. Irony is sometimes treated as the luxury of slaves, but it may be an appropriate reaction to the actual situation where autonomy is not fully realised. (The idea of a company hymn makes many uneasy).

Even in the case of autotelic activities, I am not sure that one should want people to be without a measure of irony. To identify oneself too thoroughly with a particular activity seems to be problematic.

One way of getting at the question of the spirit in which activities are conducted is the distinction between seriousness and play. Aristotle noticed and was somewhat concerned by the possibility that an account that encouraged autotelic activity could be taken as recommending play as the best life. Advocates of a 'play ethic' (Kane

2004) take this up with enthusiasm. Perhaps the most that can be said is that a human life which lacks either of these dimensions seems significantly restricted.

A second and related criterion is esteem for the activity. Activities are often, though not always, social practices that have traditions. To value the tradition to which one belongs does seem to be important, but here too there is a reservation.

First, too total a belief in what one does seems to be disturbing even for autotelic activities. To be open to the possibility that there are more interesting ways of life than one's own seems both virtuous and ultimately liberating. All one knows for sure is that one wants to do something - how interesting it is relative to other possible ways of spending one's life is not something one needs to have a strong view about.

Some philosophers, notably Frankfurt, have invoked second-order preferences. In this view, the good is not just what one prefers, but what one prefers to prefer. Although suggestive, such an account raises problems. First, where first- and second-order preferences conflict, it is far too simple and potentially very destructive to think that second-order preferences should trump first-order ones. One can think of forms of love, art or even play which may be condemned by the official belief system to which the person adheres and which nonetheless offer much of what is best in their life. Secondly, too much harmony may itself seem suspect, constraining conflict, change and growth.

With these caveats, it does seem desirable that one should think one's main activities inherently valuable. Social prestige is important insofar as it influences one's own perception of the activity. Probably no-one can completely insulate themselves from this influence, even in adulthood, but there is a kind of strong person who exercises their own powers in resisting it.

A third way of thinking about attitude is in terms of self-esteem. It has been argued by some authors that self-esteem is quite central to well-being. Self-esteem can be thought of in relative or absolute terms; either the sense that one's life ranks high on some scale, or the sense that one's life is good in some absolute sense. The first of these seems inherently less important to me than is often argued. I will argue below that the existence of some standard by which one measures one's activity may be important, but one's own relative performance does not seem important in the same way.

It might be the case that the awareness of one's own past actions strongly influences future experiences. Moralists since Plutarch and Musonius Rufus have used this as an argument for morality. However, there are also spiritual traditions in which everyone is urged to see themselves as very imperfect by a perfect standard, as in the hymn I used to sing at school where we prayed to achieve the state of 'weeping with loathing' about our own sins, or, with rather more humour, in the parable of the Pharisee and the publican: or in which one is urged to become detached from one's own past actions, as in some interpretations of Buddhism. I think these examples suggest that high self-esteem in a relative sense is not a necessary part of a good life and could even get in the way of some very good ways of living.

This is not to deny that self-esteem may in practice be a very major influence on well-being or that there are basic biological reasons why human beings care about hierarchy. The quality of experience or the spirit in which activities are undertaken can be very seriously affected by low self-esteem; it matters, in my account, through its consequences.

Self-esteem in an absolute sense is a different matter; the sense that it is good one is alive, however much of a rogue or loser one is; the sense that one might be loved. That is nothing other, I think, than the recognition of one's life as a locus of the human good, and is plausibly of general value.

Experiences

That a life with good experiences is true and of considerable importance; so much so that one can understand why philosophical hedonists propose the restriction that only experiences matter, even if this is ultimately unpersuasive. However, to go beyond this and map the infinitely-dimensioned space of experience in an evaluatively useful way is tremendously difficult.

I start with Aristotle's distinction between theoria and praxis/poesis (noting parenthetically that one could interpret the economist's distinction between consumption and production as a version of it). One could treat all experience as theoria, but this elides the way that the experience of acting is internally different from that of perceiving (contra Hume; admittedly a baby learns to move its limbs, but one cannot have the experience of action without some sort of belief in a causal link between the experienced event and the outcome in the world. The absence of such a belief would change the experience). Aristotle, under Plato's influence, thought that theoria was linked to the general rather than the specific and his discussion theoria is often represented as implying that the best life is that of philosophical contemplation. However, there is little in the structure of Aristotle's account that requires one to interpret 'theoria' - which was the Greek for tourism as well as philosophy - so narrowly.

Within the domain of theoria, it is useful, before trying to evaluate, to note that there are a number of different categories one might want to distinguish: sensual, aesthetic, historical and spiritual experience among them. The great contribution of the hedonist tradition is to insist, rightly, that sensual experience is valuable and not to be reduced to any other kind (for a powerful modern defence see Onfray 1991). The conception of spiritual experience is not, here, attached to any specific metaphysical experience; I define it as the experience of being or becoming aware of one's place in the cosmos, whatever the cosmos is believed to be. In this sense there can be an atheist and materialist spirituality just as much as a theist one. Human life would be unrecognisably impoverished without any of these kinds of experience, but they all take discipline and cultivation.

Within this domain, there are different positive terms that are used to evaluate experiences: central terms in everyday English are pleasure, happiness and joy. The tradition of philosophical hedonism tries to reduce this multiplicity to a single metric, that of pleasure. Whether this can be done convincingly without appealing to

preferences is an open question; if not, all the objections discussed against preferencebased accounts still hold. I prefer to retain the multiplicity and try to characterise it. Pleasure is characteristically used of a specific experience with an object. It cannot be reduced to a physical sensation, as many tastes are acquired (Rozin (1999) suggests that this is distinctively human). Joy is a term whose meaning changes over time. For many early modern philosophers, it is thought of as an emotional response to the promise of future pleasure. For the English romantics, possibly drawing on Kant's conception of 'Lust' in the Critique of Judgement, it comes to be used to describe the activity of the imagination in discerning order or spirit in the world; the English Romantic poets make this experience central to their vision of the good life and are preoccupied by its fragility, both to personal aging and to the advance of science and technology. I think this legacy is worth taking seriously. Lastly, happiness (as used colloquially in English rather than in the grander sense where it is used for well-being or judgements about well-being as a whole, to which I return below) seems to be a matter of mood. For a good discussion of the psychological study of mood including interesting speculations about its evolutionary function, see Morris (1999).

That pleasure, joy and happiness form part of the human good is persuasive. But the implications are not. I make four points here that seem to me to be important.

First, the achievement of pleasure and joy depends on attention (perhaps not mood). For the individual, 'pay attention' is a better guide than 'find pleasure or joy'.

Secondly, the relation between external factors and the quality of experience is important. Most ancient Greek philosophers valued autarcy and some went so far as to insist that external factors were basically unimportant. My account allows both for attachment and for a causal relation between the environment and the quality of experience. Beauty, for instance, can be found anywhere, but not with the same ease.

Thirdly, attention is something that can be trained and can be done more or less well.

Finally, I have emphasised positive experiences here rather than negative ones. That pain ought to be reduced seems rather basic to humanity and to the sense of the human good; to witness another's suffering with pleasure would undermine one's most basic intuitions about the human good. But there are important distinctions, not least between the first and third person perspective. One can think of forms of pain in one's own life from which one has learned and which in retrospect one would not wish to have been without. At the individual level, I think that one can sometimes distinguish pain that has been successfully mastered and assimilated from that which has not and which has a disruptive and destructive impact on one's life. Paradoxically, the experience of physical pain turns out in some cases to depend on attention in that as Dennett (1979) observes, severe migraine can be made tolerable by concentrating entirely on the pain, an observation I would not believe if I hadn't experienced exactly the same thing myself. However, this does not change the fact that there is an overwhelming *prima facie* presumption that pain is bad, and that pain that is not successfully mastered can be tremendously destructive.

Turning to the active life, I suggest that rewarding praxis or poesis is typically on activities which present significant difficulty or challenge and on those where there are criteria for doing the activity well or badly. Without such criteria, actions become

arbitrary and in a sense meaningless. I therefore prefer to interpret Aristotle's suggestion that the good life consists of activity *kata ten areten* as referring to activities 'according to a criterion of excellence'. Czsikszentmihalyi's work on flow shows the kinds of mental state that such activities can induce; the idea of 'flow', an absorbed state where attention is taken up by the task at hand, is valuable.

Beliefs

The truth of beliefs arguably matters more at a collective level than an individual one. Arguably the quality of a scientist's life is less affected by the truth of their own theories as by the extent to which these theories contribute to a collective endeavour which is successfully approaching the truth. Being right about the nature of one's own activity might seem more important to the quality of a person's own life.

In these observations, it is important to note that the definition of the human good as that which should make us glad that it exists, rather than (as some have proposed) that which should be promoted, makes a difference. The moral obligation to tell the truth seems to have some force (not necessarily as much as Kant thought it had) without its having consequentialist benefits.

The human good as a collective achievement

As already intimated in the discussion of beliefs, I do not believe we need see the human good as a whole as an additively separable function of the human good of each individual life. One major reason for this is the fact that desires and potential vastly, perhaps infinitely, outstrip what can be achieved in any one human life. For that reason it makes sense to see others' lives as completing one's own - exploring possibilities that one would have liked to explore but didn't have time or opportunity to.

It has been widely argued that social welfare functions should be concave in individual welfare, to introduce a distributional concern beyond that implied by the curvature of individual utility functions (whether this makes sense depends partly on how the curvature of the individual welfare functions was itself derived). My suggestion that additive separability need not hold is different, and may tend to encourage placing a positive value on cultural diversity.

7. Economic development and the human good

The account that has been developed above does not deliver an immediately implementable ordering, but it throws open a number of avenues through which economic development might bear on the human good. My intention here is exploratory: to open up interesting hypotheses and to suggest how they might be empirically investigated.

Economic development and reasons for activity

It is an old aspiration that economic development should free mankind from toil, though one that has always faced opposition on the grounds of religious or secular myths of the fall. In my account, there are several ways in which economic development might enable autotelic activity to play larger part in people's lives.

The first and most obvious is that they may devote more time to leisure. Theory here and evidence are both ambiguous. Even if preferences do not change, a theoretical ambiguity arises from a mixture of an income effect, which increases the demand for leisure; and a substitution effect, which encourages more work as incomes rise. Moreover, as access to land diminishes and human capital becomes a larger share of one's assets, the positive wealth effect may not kick in unless significant hours are worked. Allowing for changes in preferences, it seems possible that society could simultaneously become more liberal in allowing people to do more and more demanding in expecting it; something like this may be associated with the secular increase in female participation in industrialised economies.

The empirical ambiguity arises partly from conceptual ambiguities. For instance, there has been a controversy about the extent to which Americans are working harder or less hard, which partly turns on how breaks at work are treated (Frank 1999). Fogel (2000) finds a strong positive effect of incomes on leisure over long time periods in the US, but this depends partly on treating some forms of education as leisure. The Middle Ages had many holidays. In the context of developing countries, electric light might increase work and leisure simultaneously if time spent in the dark were counted as neither. What is clear is that the dream often attributed to Keynes of reducing working hours massively within two generations has not materialised as might have been expected.

The second is that for many activities, purchased commodities are part of the description of the activity relevant for considering autotelicity. Once this description is used, desires to do many things for their own sake become achievable as incomes rise. One may eat lunch to survive, to work, or for one's health, but one eats smoked salmon rather than Spam for its own sake.

The third is that the increased availability of commodities that emerges with development, and the increased amount of information about the world, makes it possible to formulate more specific desires of the smoked salmon kind.

Finally, another effect of development may be to change some acts so that they become matters of choice rather than destiny. For instance, the demographic transition and the availability of contraceptives allows the choices of sexual activity and having children to be separated and allows children to become a matter of choice rather than destiny; something religiously controversial but in principle to be welcomed if the autotelic is to be valued. More generally, economic development may be associated with sociological change that changes the locus of accountability in everyday life.

However, there also ways in which economic development might reduce the role of autotelic activity in people's lives. One point was noted above; leisure might fall

rather than rise during economic development. But there are other, less obvious effects.

First, I made a distinction above between having a positive reason for doing something and doing something by default. It seems quite likely that consumer goods pass from one category to the other over time.

Secondly, many activities are undertaken for mixed reasons. It is possible that economic development tends to unbundle the reasons involved. Farming one's own land, for instance, might have a stronger autotelic component than selling one's labour on the market. Increase labour discipline may also tend to reduce the autotelic component of time spent at work.

Thirdly, an activity might cease to be autotelic because the person becomes aware of alternatives that are preferable but that they cannot themselves access. The way in which becoming aware of one's own provincialism can undermine one's sense of self was canonically represented in Madame Bovary.

Fourthly, although development allows new desires to form, it also erodes some local attachments that might provide autotelic reasons.

Economic development and attitudes towards activities

Some of the points made above about reasons might instead be phrased in terms of attitudes and the spirit in which things are done. Economic development, in the early stages, has characteristically involved a shift towards wage-labour from self-employment, and there is an open question about the way in which this affects people's attitudes towards their activities. In modern Greek and Russian the word for employment correspond etymologically to the root for slavery, reflecting the ancient Greek conviction that wage labour was inherently unfree. The same preference for self-employment has a long and still contemporary presence in European poetry. One aspect of Marx's conception of alienation is that people do not own the product of their labour.

However, there may also be cases where wage labour is more prestigious. In particular, schooling can have the effect of reducing the prestige of 'peasant' farming; there are cases where children are threatened with the prospect of becoming peasants if they do not perform well academically.

Economic development and experience

That economic development offers an improvement in the quality of experience is a crucial claim on its behalf.

For many measurable dimensions, economic development expands the opportunity set. The tradition of preference-based approaches tends to assume that people are near to the optimal point on the frontier of their opportunity set, and that any distance is accounted for by specific and identifiable malfunctions. To me, and to some

philosophical traditions, it seems more plausible that most people live well within the frontier - that there are much more interesting ways of experiencing the world than most of us manage to attain. The question, then, is the quality of experiences actually achieved in people's lives as a result of economic development.

One way of thinking about this would be to think of effort and access. For any particular set of opportunities, there might be experiences that are achieved easily - without any special discipline or attention - and others that require more effort to achieve. It might be enough to argue that economic development improved experiences for any given level of effort. I am not sure that this will do; the kinds of effort that I am thinking of are themselves partly functions of education in a broad sense.

One question here, debated among psychologists, is the extent of the 'hedonic treadmill'; how far do commodities that initially provide considerable pleasure become merely routine aspects of life that provide little? I suspect that the answer lies partly in practices of attention. Wine connoisseurs, for instance, derive intense pleasure from attending to the precise qualities of what they are drinking - a pleasure that is enhanced, though not wholly dependent, on the quality of what they are drinking. (There are people, sometimes found in academia, who derive more pleasure from identifying the faults of the mediocre than appreciating the good). For all aesthetic pleasures, the cultivation of taste is central to continued enjoyment.

It might be that the increased access to information due to economic development makes people's lives more interesting. Again, it is heard to be sure, because much depends on what kinds of information are lost at the same time.

As far as the experience of praxis and poesis goes, it has been suggested since Adam Smith that the division of labour reduces the extent to which the individual worker can exercise skills or initiative. However, this is most plausible only for unskilled manual work in industry.

There are, I think, much stronger reasons for expecting economic development to be associated with a reduction in pain. For physical pain caused by illness and hunger, premature mortality and the suffering of bereavement, the case for this is very strong (although evidence suggests that bereavement be better recovered from where there are good social networks. It might be that more frequent bereavements are experienced less intensely but I know of no evidence for this and the effect might be in other direction). For psychological pain in general, things are not so clear.

There are also areas where economic development might be associated with a reduction in opportunity set; for instance, the access to unenclosed space. The reduction in children's opportunities to play in open space is not a small loss; in the last two generations in Britain, for instance, this would be a major factor in assessing whether children's lives have got better.

8. An empirical agenda

Although the account I have given is fairly simple in structure, it turns out to raise a host of very difficult and intractable issues.

Reasons and attitudes

There is substantial evidence on time use. However, data on time use do not tell us the reasons for which things are done. There is no substitute, here, for a fairly holistic examination of people's attitudes to their activities. Questions that could be asked include:

- people's description of activities, including the possibility of multiple simultaneous descriptions
- reasons for the activity, including mixed reasons
- attitudes towards the prestige of the activity
- feelings about the activity (resentment, gladness, self-expression)
- attitudes towards one's own performance of the activity

Experiences

There is a large amount of research about self-assessed wellbeing of two main kinds. One tracks life satisfaction as a whole. The other, more relevant here, attempts to track hedonic status by asking people to may how good they are feeling at repeated intervals over a stretch of time (see Kahneman 1999 for a defence of this approach).

I certainly think this kind of study can be illuminating. Three difficulties include the question of scaling, the question whether we have a unique metric of hedonic status, and the question whether instantaneous hedonic status is what matters anyway. Even for the most simple and everyday activities, I doubt this - the enjoyment of playing a game, for instance, might be accompanied by episodes of severe discomfort and anxiety, which help to make up an enjoyable whole.

A related, and perhaps more illuminating, line of research looks at 'peak experiences' and 'flow'. This work sheds light on the kind of absorption and attention that does seem to me central to valuable experiences.

I suggest that further progress might be made by measuring the different categories of experience that I discussed above - aesthetic, spiritual, sensuous, historical and cognitive, and experiences of challenge and difficulty - separately.

9. Policy and accounts

Basic political values and my account

Aristotle was not a liberal; nor are all his contemporary followers. However, there are liberal Aristotelianisms. Although my account does not build political freedom into the constitution of the human good, it does sit naturally with liberalism, in that it emphasizes inner experience that only the person themselves can directly observe, it pays attention to people's own description of their activities, and it encourages things done for their own sake. Admittedly, a concern for autotelicity does not imply liberalism; for Plutarch, one of Sparta's main achievements was to have protected the leisure of its ruling class by prohibiting commercial activity, whereas in Athens one could be prosecuted for idleness. (Plutarch 1957). Liberalism can, of course, be defended on other grounds; the role of the state is a matter of political theory that involves more considerations than simple consequentialism.

The account does, however, draw attention to some tensions within liberalism. First, the recognition that different freedoms may conflict and that freedoms can have bad consequences raises the question which freedoms are most important. In my framework, it is natural to answer the intrinsic value of freedom is highest for autotelic activities. This would sit naturally, for instance, with a more libertarian approach to recreational drugs than to gun control. It also raises serious questions about the role of coercion in schooling, questions which continue to haunt liberalism and to which I return below.

I think the account also tends to support a broadly egalitarian approach to income distribution (at least in comparison with the existing distribution), on the very simple grounds that income is likely to matter more at the margin to the poor than to the better-off. A positive value on diversity might conceivably conflict with this, but I doubt that it does.

However, two caveats are important. First, it may be better to focus on the distribution of wealth rather than income, particularly if leisure is excluded from income. If poor people's working hours and incomes increase simultaneously, there is no presumption in my account that their lives become better. Secondly, the account makes it absolutely clear that income is not all that matters, and does open up a number of mechanisms whereby actions that increase incomes may not have the consequence of making people's lives better.

A third value that might arise naturally from my account is continuity. The abrupt changes that sometimes occur in economic development involve the loss of access to ways of life that may offer valuable experiences. Paying serious attention to spiritual, aesthetic and historical experiences will inevitably involve thinking about the possible value of spiritual, aesthetic and cultural traditions. This raises the question whether the fastest possible economic growth is not necessarily the most humanly rewarding. It seems to me that the value of continuity needs to be rescued from the preserves of political conservatives and taken seriously by those who put themselves on the political left. (For a left-wing point of view that seeks to escape the need for crisis by making existing structures more inherently adaptable, see Unger (2007)).

Policy and my account

Clearly, this paper has been too speculative to speak of anything as deductive as 'policy implications'. However, there are some areas that deserve consideration.

First, many policymakers retain a vision of development in which the peasantry disappears, to be replaced by a proletariat. Empirical evidence suggests that this is a much slower process in many cases than was expected. My account suggests that the ruptures that accompany this process may be destructive. Perhaps we should hope that as economic development occurs, a pattern of diversification will be achieved that enables people to benefit from economic development while retaining links with the rural communities and lifestyles that their parents lived in. Much of this happens spontaneously, but there could be considerable implications for the design of policy on land rights and inheritance, for instance.

Secondly, the purpose of education cannot be simply to equip people to increase their incomes or improve their children's health. The training of attention and the introduction of people into spiritual, aesthetic and historical traditions are equally important. And the coercion involved in compulsory schooling sits awkwardly with an approach to life that values the autotelic. This is not to say that children should choose what they learn, but it does suggest that educators should be aware that they are preparing children for lives as free people.

Thirdly, the suggested focus on the distribution of wealth rather than incomes might have policy implications.

Do policymakers need a more restricted account?

Lastly, I return to a question that I alluded to at the start of this paper: whether policymakers need a more limited account of the human good in order to design implementable actions. Such an account would typically incorporate some liberal restriction of the domain; it might need to aim for consensus in a way that a philosophical account need not: its design may reflect its specific purpose, the design of legal entitlements requiring a different approach to cost-benefit analysis for a project: and it may need to be measurable.

These considerations suggest that the search for a single best account for policy purposes is even more futile than he search for a single best philosophical approach. It is best, therefore, to see them as pragmatic instruments for particular policy contexts, rather than as representing some general truth about the human good.

Three candidate accounts deserve some discussion here. First, income-based measures of wellbeing or poverty. My account has highlighted the importance of the omission of time use from most such measures, though it has also shown - through the emphasis on multiple descriptions of simultaneous activities - that the calculation of full income by attaching a monetary value to leisure will not solve the problem. It has

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also suggested that the fastest growth in incomes may not always be the most humanly rewarding form of economic development.

Secondly, capabilities. It is clear that as usually measured, there is still quite a gap between measures of capabilities and the attributes of actual activities that are highlighted by my account. There is also some philosophical ambiguity in the notion of capability which may cause difficulties with the subtler forms of activity considered here. But there may well be ways of developing the approach; one of its attractions is its flexibility.

Third, happiness, self-assessed wellbeing, or life satisfaction: typically the placing of one's life on some numerical scale. I have argued that this may be of little intrinsic importance, but it may be nevertheless be good evidence for what does matter intrinsically. Scaling raises serious problems for international comparison, which its defenders are rather too breezy in dismissing; as Kahneman has pointed out, the low recorded score of the French does not provide altogether convincing evidence that the lives of the French are worse than their neighbours, particularly given that happiness is a contested ideal in French culture. Drastic changes over time do seem to show something important; for instance, the lowest scores on data in the early 1990s were from former-Soviet or Eastern European countries, which suggests strongly that the crisis in these countries did indeed have severe human costs.

All these accounts designed for policymaking incorporate some modernising bias often implicit, though made explicit in Amartya Sen's repeated endorsement of Marx's take on 'the idiocy of rural life'. Such a bias might be defended, either because (as noted above) it corrects an externality, or because modernisation represents a necessary stage of development. But developing countries may be able to leapfrog some of the negative features of development in cultural terms just as they have successfully leapfrogged the excess mortality associated with urbanisation in the European industrial revolution. This paper, in any case, has sought to open up these questions rather than allowing them to be ignored

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