Manifesto for Happiness. Shifting Society from Money to Well-Being.

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INTRODUCTION

The discovery of reliable and low-cost methods for measuring happiness has given rise in the recent years to an extensive and intense debate that has involved all branches of social science and attracted vast media interest as well.

Indices of happiness are available for a great number of countries and in some cases involve long historical periods, starting with the end of World War II. Such measurements, both subjective (concerning, that is, the well-being perceived by individuals) as well as objective (concerning, that is, suicides, alcoholism, drug abuse, mental illnesses, consumption of psych meds, etc.), tell a troubling story: the satisfaction experienced by individuals with respect to their lives in post-WWII Western societies has not recorded any significant improvement. Despite the enormous increase in access to consumer goods recorded in the past fifty years, Westerners do not seem happier. In short, this data seems to suggest that money does not buy happiness.

This solid evidence comes as no surprise to the advertising world. A celebrated member of this profession, the Swiss Frederic Beigbeder, wrote: «I am an ad-man. Making you drool is my mission. In my line of work no one wants your happiness, because happy people do not consume».

But looking beyond advertising, for Western culture the lack of a positive correlation between happiness and access to consumer goods is such a great surprise to have merited the designation of «happiness paradox». To get an idea of how much the concept of poverty is associated with unhappiness in our culture, one need only think of the fact that all Western languages define Mr. Smith, although he has always lived in ease and comfort, as «that poor Mr. Smith» when he, for example, loses his wife or is afflicted with a serious illness or even when he passes on to a better life. In other words poverty is the symbol of all ills to such a point, that people are called «poor» even if their troubles have nothing to do with material poverty! The happiness paradox, therefore, disquiets our culture: how is it possible, in view of the results reached by the Western world in such fields as economic prosperity, political freedom, educational, hygiene and health standards, technological progress, life expectancy, etc., that people don’t feel better? Have we worked so hard to create a better world to discover at the end that it was full of suffering? This paradox threatens a cornerstone of modern culture, which is that economic growth is a plausible means for improving the perception that individuals have of their lives. Indeed, economic prosperity is the major aspiration of nations, communities and individuals, and growth is considered as the main sign of the progress of a country. In our collective imagination, economic progress means being able to buy more things.

By analyzing the impact of growth on well-being in Western countries, studies on happiness assess the desirability of an experiment of historical importance for humanity. In fact, the Western experience of liberation from mass poverty is the only fully accomplished one in human history. Thus the evaluation of the well-being that this experience has produced is of extraordinary importance because this is the experience to which everyone aspires, and they hope for it because they think it will help them live better.

The only thing is that people do not seem to feel better when they have access to more money. The happiness paradox, therefore, negates the equation ‘more income means more well-being’, raising questions that are advancing quickly to the forefront of the public debate. The media dedicates continuous attention to this issue: the «Financial Times», for example, has published many articles on this theme and even an editorial entitled Were hippies right? The «Economist» went so far as to dedicate the front cover of several special issues to studies on happiness. Faced with the happiness
paradox, the thesis in defense of the existing
economic organization put forth by that magazine
is that the historical task of capitalism is to expand
access to consumer goods and not to make people
happier. It is truly paradoxical that this thesis is
advanced by the apostles of the current economic
system and it fully reveals all their unease. Indeed,
economists teach the following concept starting
with the introductory courses of micro-economics:
having more money is not an end, it is a means for
living better.

This book is an inquiry into the causes of present-
day unhappiness and its solutions. The thesis is
that the crux of the problem is relational. Western
societies exhibit a long-term trend towards a
worsening in the quality of the relational experience
of individuals. The main explanation I propose
for the happiness paradox is that the positive
effects on well-being caused by the improvement
of economic conditions over time have been
compensated by the negative effects due to the
deterioration of relations between people.

Were we better off when we weren’t so well off?
My answer is no. It is best to clear the field right
away from the notion that the happiness paradox
authorizes rural or communal nostalgias or the
mythicization of the “good old times”. Because
they were not good times. Not only were they not
good with respect to the material aspects of life,
but neither were they from the point of view of
relations.

It is true that the modern world is full of relational
tragedies. The literature of the 1900s records in
overwhelming numbers the relational dramas of
solitude and non-communication. On the contrary,
people were never alone in pre-modern societies.

But the pre-modern world had its relational
tragedies as well, symbolized by the impossible
love of Juliet and Romeo. They were the tragedies
of belonging. In pre-modern societies everybody
belonged to someone else; people weren’t free
to choose their destiny nor could they choose
their objects of affections. Marriages, for example,
were never free; they were always arranged by
the families of the parties. People had demanding
social roles and their choices were subject to family
and community ties.

At this point in our history, the crucial issue for
improving the human condition is relational and
it is the following: must the liberation from the
chains of belonging, the freedom conquered
with the end of the traditional way of life
inevitably be transformed into solitude and non-
communication? Is it the inescapable destiny
of human relationships to have to choose between
solitude and the lack of freedom? Must human
relations be faced with the unavoidable trade-off
between freedom and cohesion?

This book provides a negative answer to similar
questions. The freedom of individual choice is
inalienable for happiness. The road to be traveled
is not that of surrendering freedom in favor of
the community. It is possible to create a free,
yet cohesive society. My main thesis is that the
economy matters greatly for happiness. But not in
the sense that the prevailing tradition of economic
and social thought would expect, that is to say
that what counts is the average income level,
the economic prosperity. The economy matters
a lot because it is important in determining the
relational dimension in which people live. What
matters most for happiness are human relations
and the economy matters because it shapes these
relations to a large extent. What also counts very
much is our culture, in other words our way of
thinking of ourselves, of our relations with others,
of the horizon of what we consider possible, both
individually and socially. Yet the nature of the
economic system also plays a significant role in the
formation of this culture. Therefore, this is what we
must act upon.

The book is divided into six parts. The first part
summarizes the argument. In the second part, I
begin my exploration of the happiness paradox
starting from the United States. The main reason
is that the US is an extreme case of this paradox.
In fact, the happiness of the average American
exhibits the worst trend in the entire Western
world, given it is declining since the end of WWII,
whereas it remains stable or is slightly increasing in
other Western countries.

The American example is very important, not only
because it deals with the only remaining world
superpower, but for two further reasons. The first
is that, as we shall see, it illustrates in exemplary
fashion what must not be done, if we are
interested in happiness. The second reason is the
American role in globalization. I am not referring
to its political role, although enormous, but to its
cultural one. To become globalized means also to
become more similar to Americans. Indeed, one
of the various meanings of the word globalization
refers to the diffusion of the American dream: to
fence all notions of good into one’s private sphere.
The message of the American dream is: your goal
is to make as much money as you can; nothing
else matters. Many people believe that America is
the example to follow. The US is the embodiment
of a social message and this message is the new
religion.
But happiness is in regress in the country that many consider as the most progressive in the world. This book is, in its second part, a warning on the dire effects that the American dream has, above all on Americans. The picture of America that emerges is one of a society wracked over the last decades by a profound social, psychological, emotional and institutional crisis, which is shaking its foundations and generating unhappiness and consternation. American society, in particular, is plagued by a crisis in personal and social relations between its members, and this is the major source for the decline in their happiness. In drawing this picture, I never refer to those facets of American society that are the most recurring motives for criticism: the enormous and growing inequalities, the widespread poverty. I agree that these are huge problems and that they are aspects more markedly found in American society with respect to European ones. But the crisis I am referring to concerns all Americans: it is the crisis of a social model and my critique is not based on the fact that such a model favors some to the detriment of others. In the US there are no losers and winners: there are only those who lose more and those who lose less.

In the third part, I offer an explanation for the decline of relations in the United States. It is due to a socio-economic organization and an ideology based on competition, coupled with an incessant advertising propaganda centered on possession, unequaled in any other country in the world. In this sense, the United States represents the example not to follow: it reveals the effects of this mix of ideology, organization and propaganda brought to a level never attained before in any other corner of our planet. The United States show us the risks we face in terms of social disintegration and unhappiness, if we continue to tread that path, as some suggest we should. The extremes of American competition and consumerism are not good for happiness. We need to follow a different road.

European societies, in comparison, seem to be in a better condition. They have, even if in a largely unconscious manner, a different social model and one that functions better. But America is not far away. It is a warning of what we could become; it shows us how badly we can end, if we behave badly. To behave badly in this case means to make the wrong choice. We should take advantage of the great opportunity that the United States offers us to learn from its errors, because its relational decay depends on specific choices in culture and social organization, choices that can be avoided. We must become aware of what America has become, of the fact that European societies are generally in a better condition and that they possess a different social model. This specificity is becoming lost under the prodding of those who believe that America is the model to emulate. We have become more and more American in the past twenty years. We must reverse this course. We must develop our specificity instead; it is by following this path and not by running after the American model that we can increase well-being.

The fourth part of the book offers a concrete political agenda prompted by studies on happiness. It allows us to glimpse a different type of society. The West has taken the wrong path in many ways and the United States has done so to an even greater extent. Given the global influence of the West in determining economic and social models, a great part of the world is going in the wrong direction. We need to change many things, from the way we build and organize our cities to the way we work. We should change our schools, our healthcare systems, the way we protect our environment, our culture, the education that parents impart to their children and even our democracy. Yet this about-turn is actually possible. We are simply using the enormous potential for an increase in happiness created by economic prosperity in the wrong fashion. The problem involves our culture and our economic and social organization. In other words, we have the wrong ideas on what we should do to better our lives and our societies as well as inadequate institutions for achieving this goal.

The fifth part is dedicated to an analysis of the current economic crisis, seen as the epilogue of the social crisis in the United States, which turned into an economic crisis and infected the entire planet.

The sixth part focuses on the good news. The project for social reform outlined in the fourth part is possible, because the historical conditions created with the end of the 20th century both require and allow a profound reorganization of the socio-economic order, internationally as well as within single countries. In addition to this, we have entered a phase of profound scientific and cultural changes and the science of happiness is one of the important ones. For the very first time, it is possible for the discussion on human well-being to leave the realm of mere speculation and become the object of a scientific analysis.

This type of research and its dissemination can contribute to change people’s perception of what can be modified, both on an individual and a societal level. These are the types of changes that can alter over time the way society is organized.
1. The symptoms: unhappiness and haste

We begin our journey within the present-day discontent from the United States. In the past thirty-five years, America has experienced a phase of vigorous economic growth. But while their country began to resemble more and more to the Promised Land of consumer opulence Americans were feeling worse and worse. They declared themselves less happy and experienced a rampant epidemic of mental illnesses. Why this famine of well-being amidst such an economic affluence?

The answer to this paradoxical question is complicated by the fact that working hours in the United States have lengthened in the last thirty years. Americans have less and less time, and are more and more in a hurry, oppressed by time-squeeze, time-pressure, time-poverty. Why do Americans strive so much for money if it does not buy them happiness?

2. The disease: the decline of relations

Research shows that the decline in happiness and the increase in working hours are both symptoms of the same disease: the deterioration of personal and social relations.

With respect to happiness, the data from the United States in the period 1975-2004 shows that the increase in income has had a positive impact on happiness, but that this impact has been more than compensated by several negative factors. The main one is the decline of relations. The various indicators exhibit an increase in solitude, in communicative difficulties, in fear, in a sense of isolation, in mistrust, in familial instability and generational cleavages, and a decrease in solidarity, honesty and in social and civic participation.

These indices are the statistical embodiments of the concept of relational goods. They indicate the quality of the relational experience of people. The impact of relational goods on happiness is sweeping. If the relational quality had remained at the levels of 1975, the happiness of Americans would have grown. Thus, a big part of the explanation for the growing unhappiness of US citizens is that the negative effect of the larger relational poverty on happiness has been stronger than the positive effect of the greater abundance of consumer goods.

The American economy would have had to grow at a much greater rate than the one – albeit sustained – that actually took place, in order for the increase in relational poverty not to reduce happiness. The growth rate in the average household income, required to compensate the loss of happiness due to the decline of relations, would have had to exceed 10%. Notice that we are not dealing with the growth required to increase happiness, but to maintain it unchanged at its 1975 level. In short, in presence of a deterioration of relations of the dimensions that have been observed, not even thirty years of economic growth at a Chinese pace would have sufficed to increase the happiness of Americans.

Let us now turn to the increase in work hours. Data from the period 1975-2004 shows that individuals who are poorer from a relational viewpoint, work more hours on average. In other words, relational poverty brings about more time spent working and a greater interest in money. This result suggests that the increase in working hours in America over the past thirty years has been influenced by the deterioration of relations. Americans seek compensation in work and money for the deterioration of their relational condition. But the time and energies devoted to work are in turn diverted away from relations and, as a result, people who work a lot tend to have worse relations.

These results speak of lives trapped in a vicious circle; they tell of people who react to their relational poverty by dedicating more time to work. Yet the time and energies absorbed by their job end up deteriorating their relations even more and the reaction to this is an even deeper immersion into work, and so on. We are dealing with a self-feeding trap that spirals personal histories into a growing lack of time, relations and well-being. A trap that is both individual and social.
3. Social crisis and economic affluence

The picture that emerges portrays an America that is undergoing a profound and decades-long social crisis. Yet the advocates of the American model reply largely – or better, they did so until the economic crisis that began in 2007 – that the United States seduces because of its economic dynamism. In fact, despite these signs of social discontent, the United States has experienced a remarkable growth rate over the last decades. Is there a relationship between these two contrasting features of American society? Are social crisis and economic dynamism linked to a certain degree?

According to the Neg (Negative Endogenous Growth) approach, the answer is affirmative because growth can be both the cause and the consequence of relational decay. In fact, money offers many forms of protection – real or illusory – from relational poverty. If the elderly are alone and ill, the solution is a care-giver. If our children are alone, the solution is a baby-sitter. If we have few friends and the city has become dangerous, we can spend our evenings at home, fulfilled by all kinds of home entertainment. If the frenzied and unlivable climate of our lives and our cities distresses us, we can lift our spirits with a holiday in some tropical paradise. If we quarrel with our neighbors, we can hire a lawyer to defend ourselves from their harassment. If we don’t trust someone, we can pay to have him monitored. If we are afraid, we can protect our possessions with alarm systems, security doors, private guards, etc. If we are alone, or if we have difficult and unsatisfying relationships, we can seek a form of identity-making redemption in consumption, success or our work. Advertising has charged itself with the task of obsessively reminding us that if we are afraid of not being members of this society, of being losers, the reassurance for all our fears is to buy: «I consume, therefore I am». And besides, in advertising, products are perfect substitutes for love. In the rose-colored world of advertising, products requite our love. But in the real world, they obstinately refuse to exhibit any emotion.

All these private goods protect us from the decay of things that were once common and free: a livable city, free of crime, with more trust and communication among neighbors, with a social fabric made of neighborhoods, of communities, one that provided company to children and the elderly. Or, at least, they promise to protect us, as does the advertising industry with respect to our fears of exclusion, fears which flourish in a world of rarified and difficult relationships.

These expenditures force us to work and produce more and they increase the GDP, that is to say they generate economic growth. They are a driving force of the economy. When social ties break down, the economy of solitude and fear thrives.

The same argument applies to the quality of the environment. Vacations in unspoiled environments offer us the clean air, seas and rivers that we can no longer find in our unlivable cities.

The economic growth generated by these mechanisms can in turn fuel relational and environmental decay. It can fuel it, although this is not inevitable. This is a crucial point, because growth does not inescapably have to lead to the deterioration of relational goods. This depends on the economic, social and cultural organization of a country. I define Neg capitalism as that type of organization, which tends to produce this effect of the decay of relational goods.

The point is that when growth does have this decaying effect, a process is generated in which growth fuels relational (and environmental) decay and this feeds growth. The outcome of this self-fuelling mechanism is a growing affluence of that which is private and an increasing scarcity of that which is common: relations and the environment. This is the trap of negative endogenous growth. It has predictably disappointing effects on well-being, because while it increases our access to private goods, it diminishes our access to common goods.

This is why the traditional view of growth tells only one part of the story, the bright part. The one according to which the luxury goods of one generation become the standard goods of the next generation and these, in turn, become the basic needs of the successive one. The history of economic growth obviously abounds with examples of this kind.

But there is a dark side to this story that remains untold. It is the story of goods that are free for one generation, which become scarce and costly for the next generation and luxury goods for the one following that. The history of growth is full of these examples as well. Goods that were available for free, or almost so, to our grandparents and often to our parents but that now have a cost, goods such as, for example, clean natural environments or simply human curiosity.

According to the Neg approach, relational and environmental decay is central in explaining both
the inability of the American economy to generate happiness and leisure time as well as its parallel capacity to generate growth. The limited appeal of American society in terms of the trends of happiness, working hours and relational goods could be strictly linked to that aspect, which is generally offered as its main attraction: the capacity to generate economic growth. But in such a context, this is not an attraction; it is only one of the symptoms of the relational disease. Moreover, as I shall illustrate further on, this disease produced an accumulation of economic imbalances that culminated into the crisis that began in 2007.

In Europe, things seem to be going a little better. Continental Europe followed different trends than American ones during the two decades from 1980 to 2000. Its economy grew less and working hours diminished. If the trend of relational goods really is a contributing factor in explaining these differences, then we should expect to find that these goods evolved more positively in Europe than in the United States. The same should be true for the happiness trend. And, in fact, this is exactly what happened. In general, relational goods and happiness grew (weakly) in Europe.

The comparison with Europe suggests also, therefore, that the American society could be trapped within a mechanism in which individuals defend themselves from relational decay by accumulating private wealth. European societies are not immune to this disease. However, the evolution of relational conditions seems less unfavorable, and this results in a slower growth rate and decrease in work hours and in a less disappointing happiness trend. In short, the home of neg capitalism is America. It seems to be less rooted in Europe.

What lessons can we learn from the American experience of the past few decades? Economic prosperity is significant for well-being. It matters less than was previously thought, but it matters. But the real question is: what price are we willing to pay for economic prosperity? The American case shows that if this price is the sacrifice of those things that are truly important to us, such as relationships, then the game of economic growth is not worth the candle of well-being. It is not so much development, but its social quality that matters for well-being.
1. Materialism and relations

On what does the quality of relations depend? This question is important, because it is the source of answers to other fundamental questions in this book. Why have relations worsened in America? And where does the greater relational decay of American society with respect to European ones stem from?

The most important factor that affects the quality of our relations is culture. The link between culture and relations is the subject of a vast number of studies carried out by social psychologists. They indicate that the kind of culture that works worst for relations is the one called materialist.

Materialism consists in ascribing great importance in life to extrinsic motivations and low priority to intrinsic motivations. The distinction between extrinsic and intrinsic motivations refers, respectively, to the instrumentality or lack thereof of the motivations for doing something. In fact, the term «extrinsic» refers to motivations that are external to an activity, such as money, while «intrinsic» refers to internal motivations, such as friendship, solidarity, civic sense and the like. In short, individuals who adopt materialistic values attribute a higher priority to goals such as money, consumption and success, whereas they ascribe a limited priority to affections, to relations in general and to pro-social behavior.

These studies, based on various types of population samples, quantify the levels of materialism in individuals using various methods and put them in relation with certain psychological outcomes, such as the degree of well-being and the quality of relationships with others and with oneself.

The results indicate that materialistic individuals enjoy a lesser degree of well-being. They are less satisfied with their lives, less happy and experience positive emotions (such as joy and contentment) less frequently. They have greater stress, a higher chance of falling prey to mental illnesses such as anxiety and depression and suffer negative emotions (like anger, sadness or fear) more frequently. In addition, they watch more TV, consume more alcohol and drugs and are less healthy.

The lesser well-being of materialistic individuals is not surprising, given their difficult relations. In fact, materialistic values are associated with a poorer quality of relationships with friends and loved ones. This negative experience stems from a number of relational attitudes that have been developed by individuals with materialistic inclinations. Especially disadvantageous for satisfying relationships is the tendency to «objectify» the other, that is to say the tendency to consider others as objects. Objectification refers both to the low degree of generosity, empathy, cooperative capacity and genuineness (non-instrumentality), and to the high level of cynicism and mistrust on which individuals with these attitudes base their relations.

The causality, however, goes also in the opposite direction. An inferior quality in the emotional relationship with one’s parents during infancy is associated in adolescents and adults with higher levels of materialism. In fact, lack of affection generates a sense of insecurity and materialism is an answer to insecurity.

The conclusion of the researchers is that there is a circular effect that leads both materialism and relational poverty to feed each other. A materialistic culture drives individuals to organize their lives in ways that do not allow the fulfillment of their relational needs, and this drives people towards a higher level of materialism.

Besides being associated with poorer relations with others, materialism generates a poorer relationship with oneself as well. In fact, higher levels of materialistic culture are associated with lesser levels of self-esteem, self-realization, vitality and autonomy.

There is, in short, robust evidence that materialism is a bad deal both for people who embrace it and for those around them. These types of values have spread strongly in the United States. The percentage of university students who believe that an optimal economic condition is an essential goal in life stood at 39% in 1970. But in 1995, this opinion had already risen to 74%, becoming the main goal in life and overtaking any other ambition. From 1975 to 1991, the percentage of Americans who felt it was important to have «a lot of money» rose from 38 to 55%. The percentage of
those who considered it important to have «a job that pays a lot more than the average» grew from 45 to 60%.

Thus, given the relational difficulties of materialistic individuals, the factor that can be most plausibly considered as responsible for the decline in relations in America is the diffusion of this type of culture. In Europe, things seem to be going a little better, in the sense that the diffusion of materialistic values has been more contained.

2. The market economy propagates materialism

The main factors responsible for the diffusion of materialism are the economic system and educational institutions. The role of the economic organization is understandable in light of the theory of the “crowding out” of motivations. This theory was developed by social psychologists to explain those situations in which incentives have opposite effects than those that economists would expect.

A classic example concerns the perverse effects of the introduction of fines for parents who pick up their children late from day-care centers. Fines, in fact, increase - and do not decrease - the incidence of late pick-ups. In this example, and in many similar ones, the introduction of monetary incentives reduces the willingness of people to behave in the manner that is being rewarded or punished, which is contrary to what economists generally believe.

The explanation offered by the theory of the crowding out of motivations is that monetary rewards change the motivations of actions. Picking up one's children on time out of a sense of responsibility towards the teachers (who are forced to wait for parents who are late) is different from being on time to avoid a fine. The monetary motivation undermines the motivation that stems out of a sense of responsibility, in the sense that it substitutes it and is not added to it.

In other words, the different motivations are not added together but tend to be a substitute for one another. Extrinsic motivations, in particular, replace intrinsic motivations. According to researchers, the reason why monetary incentives undermine intrinsic motivations is that they produce a change in the perception of people regarding the reasons why they do something. To do something out of solidarity or a sense of responsibility is different from doing it for money, and these motivations cannot be added together. People do not add up the «whys» of their actions. They tend to have a predominant motivation for doing things. The reason for the crowding out of motivations is the way our mind works. We need to give a sense to what we do, and to give a motivation to our actions means giving them a sense.

The market economy is the attempt to build an economic system that can do without intrinsic motivations. It is a system that puts people in relation for instrumental motives. By doing so, it influences the perception of why we are in relation; it gives a sense to our living together, to our constituting a society. It suggests that the motive is instrumental, that is to say that it is based on personal and material interests. In essence, the market emphasizes the human ability of being in relation for extrinsic motives. The appeal to personal advantage as motivation for relations redefines the motivations for the relations themselves, sparing not even our intimate ones.

Since materialism consists in ascribing high priority to extrinsic motivations, the organization of economic relations on the basis of this type of motivations tends to generate a materialistic value system.

The problem of materialistic individuals is that their need for intrinsically motivated activities persists despite the fact that their values do not attribute much importance to those needs. Materialistic individuals tend to enjoy a lesser degree of well-being, because they have a stunted ability for listening to their deepest needs. Given their scarce capacity for recognizing intrinsically motivated needs, their lives are not organized to meet them.

This is the main downside of the market. While it does offer advantages in terms of economic prosperity, it also spreads its disadvantages, disseminating values that are a bad deal for those who embrace them and for society as well. And the extent to which it does so varies with the degree of penetration of market relations into social relationships. In short, the amount of market that we inject into our socio-economic relations has considerable collateral effects, because it influences the diffusion of materialistic values.

3. The media promotes materialism

The media, and in particular the advertising industry, plays a leading role in stimulating the diffusion of materialistic values.

Advertising has become extremely sophisticated, evolving towards the marketing of lifestyle.
Advertising people, that is to say those individuals who deal in promoting the sale of material objects, are perfectly aware of the importance of non-material needs. This is why they try to persuade us that buying will provide us with non-material advantages. Their credo does not consist in giving us information on products, but in creating an association between a product and positive emotions. The selection of advertising messages must trigger deep-seated psychological needs. Thus the promises of advertising are non-material: social inclusion, love, security, success and, ultimately, well-being.

The guiding light of marketing has become to bind personal traits to consumption. Thus huge economic resources are expended to discover what type of woman buys a specific washing powder as opposed to another, or who climbs into one type of car instead of another. Consumption has become a form of individual expression: «I buy, therefore I am»; the consumer goods «we own are our extended self».

The result of this obsessive stimulation towards possession is the internalization of the following kind of existential message: «If you feel insecure, inadequate, excluded, like a loser, you will feel better if you buy something. The acknowledgment of the fact that you are a member of this society consists in buying».

Other types of remedies for discontent could work better – for example, buying less in order to be able to work less and nurture more one’s relationships – but they are not those suggested in the fantasy world of advertising. It is what can be sold that is advertised and no one sells time or love.

Why? What has changed in the life of children? Why are we bringing up generations that are always less capable of living happily and of building gratifying relationships?

First of all, we need to eliminate those explanations for youth distress that find wide acceptance, both on the right and on the left, but that are wrong. The American Left puts poverty in the defendant’s stand. It is true that poverty does have profoundly negative effects on the well-being of children, but infantile poverty has diminished in the past fifteen years. So something else must be able to explain the psychological Vietnam of American youth, considering that also the offspring of the middle class are fully involved.

The Right points to the increase in working mothers, divorce and the decline of parental authority due to an excess of liberal educational values. These explanations are also non-starters. Ample evidence shows that the incidence in mental problems of children of working mothers is no greater than that of children with mothers who do not work. And as far as educational models are concerned, the children of parents who are more authoritarian have more, not less, behavioral disorders. Finally, children in trouble abound also in families that are intact.

Therefore, we need to search elsewhere for an explanation of the distress of the young. The basic elements of the explanation I propose are twofold. The first element is the contemporary evolution of the city, which I will handle further on. The second is the growing pressure exerted on new generations to assume social roles as producers and consumers. This pressure is particularly directed towards driving individuals to assume this role at an increasingly younger age. The main actors in this pressure scenario are educational and formative institutions: schools, media, family.

Studies on American children and adolescents document clearly what has made them increasingly unhappy. The problem is that we have transformed children into small adults and made their lives similar to ours, especially in those aspects that make us unhappy. Children have difficult relationships that are progressively worsening. They experience growing and oppressive demands on their time and are more and more beleaguered by the media and by advertising. The increase in exposure to the media produces in children a growing diffusion of materialism, which in turn causes a deterioration of their relations and well-being.

4. At the root of the problem: the life of children

There are two excellent reasons for turning our attention to the ways the lives of children have changed. The first one is that the importance of values in determining the ability of having satisfying relationships and of being happy should drive us to examine that crucial period in the formation of values: childhood.

The second one is the evidence showing that in America both the decline of happiness as well as that of relations are largely of a generational nature. The mental health of young Americans is following a devastating trend and the well-being and relational experience of each generation is on average lower than those experienced by the generation before it.
Children are much more vulnerable to advertising than adults. In the words of a famous advertising professional, Nancy Shalek: «Advertising, when it is well made, makes people feel like losers when they do not own a certain product. Kids are very susceptible to this [...] it opens their emotional vulnerabilities. And this is much easier to do with kids, because they are the most vulnerable emotionally».

In light of all this, it is not surprising that unhappiness and relational difficulties are of a generational nature. Children have become the epicenter of the problem, because the same causes for the relational and well-being problems of adults show up amplified in the lives of children. The changes in the lives of children over the last decades have induced them to develop a culture that reduces, and this for the rest of their lives, their ability to have a good relationship with themselves and with others and, ultimately, to be happy.

5. The compression of the sense of possibility.

In the realm of the difficult relations of children and teenagers, the conflict with the adult world plays a leading role to such an extent that that the contrast youth-adult has become by now a structural feature of modernity. My argument is that this is due to cultural choices, which generate huge problems of adaptation to adulthood.

Human beings have two very marked abilities with respect to animals: the ability of individual adaptation to a given environment (including economic and social ones) and the ability of transforming the environment to adapt it to their needs. This latter ability is the “sense of possibility”. It is the impulse to try something out, intended as the basis for improving the experience and the fruits of labor, beginning with nourishment. For human beings, «the possible precedes the real». The human mind has invented the ability to conceive change, or in other words, an alternative.

The sense of possibility lies at the foundation of our evolutionary success, because it has made us capable of adapting the environment to our needs. It has enabled us to invent technologies, institutions, rules, social and cultural environments with the goal of improving our lives. It has allowed us to plan experiences aimed towards reaching easier and more enjoyable living conditions. This is our main biological peculiarity. There are other very adaptable species, such as mice and cockroaches, but none endowed with the sense of possibility.

However, the main formative institutions, the family and the schools, favor systematically the capacity for individual adaptation, assuming the economic and social environment as given. And they discourage the sense of possibility, the ability to adapt this environment, considering it instead as it is, that is to say a human product. Other formative institutions, such as the media, concern themselves instead with confining the sense of possibility into the sphere of possession.

Schools represent a paradigmatic example of the compression of the sense of possibility. The organization of the educational path is based on a number of rules that remain unvaried from the primary school level up to Ph.D. Educational institutions promote: immobility and physical segregation, subordination to a power that excludes students from any important decision that concern them (organization of schedules, programs, space, etc.) and competitive relations among students. In short, the school system teaches the amputation of the human ability to combine production with pleasantness, participation, collaboration.

In practice, the formation we impart to our youth forces them to sacrifice the most marked biological endowment of our species. This is why it is so difficult to become an adult, why our inter-generational relationships are so conflictual. This also explains why our educational systems need to be such huge and costly machines. Compressing the sense of possibility is a tough job.


The sense of possibility is thus confined to acquisition, profit and competition. This is precisely what leads to the formation of individuals lacking in critical sense and devoid of any responsibility both towards their individual and towards social history. In fact, many people live their lives under a sense of pressure and coercion.

This is one of the bitterest disappointments created by economic opulence, because such opulence promised a substantial increase in individual and social possibilities. Surprisingly, however, the perception of mastery over one’s life does not seem to be a product of economic prosperity and of the modern dissolution of the limitations imposed by tradition and belonging. Not many people in the West define their lives in terms in terms of liberty and autonomy. They perceive them, instead, as set on a path over which they have limited control.
Is this so surprising? After all, people learn from early on that their lives are indeed set on a fixed course. This is why the personal liberty guaranteed by modernity, the breaking of the bonds of community and tradition, has not had a positive effect on the perception of people regarding their liberty. It can have a positive effect only when combined with cultural choices that give value to the sense of possibility.

The social system is also perceived as ungovernable. This is one of the most surprising features of contemporary Western culture. It is largely a child of the Enlightenment and, therefore, of the idea of progress. The most profound sense of this idea is that it is possible to do something to improve things. Instead, our culture is now dominated by the perception of an inevitable social drift, for which no one is really willing to take on responsibility. The rhetoric that presents globalization as an ungovernable process to which we must submit and that nobody can direct in a desirable direction is an emblematic example of this.

Western culture has become depressed, in the sense that it is experiencing a sense of impossibility to target things towards an improvement. And yet, the economic and social environment is a human product and, as such, can be oriented towards well-being.

It is the limitation of the sense of possibility that produces this missing awareness. This is why we find ourselves facing, each one on his/her own, the inevitability of things that we perceive as larger than ourselves and that threaten the quality of our lives, the future of our children. We relive them with bowed head, with that same resignation with which peasants in rural societies endured threats like natural disasters, epidemics, wars or the whims of the mighty.

7. Urban life.

The evolution of contemporary cities plays an important role with respect to the problems that plague the relations and the well-being of adults and especially of children.

Today’s cities have made children lonelier. All of their relational possibilities depend on the decisions of their parents to a degree that was unknown up to a few decades ago. The reason is that the fundamental determinant that makes it possible for children to enjoy a relational autonomy is the existence of a relational fabric within walking distance, and our cities have made this existence impossible. The social context that children used to find right outside their doorstep has disappeared. But children are merely the main victims of an urban relational discontent that actually affects everyone. How did all this come to pass?

For about 5000 years, that is to say since cities first exist, relationality stood at the center of their organization, with the need of maintaining a certain proportion between public and private spaces. This is why European cities expanded slowly over centuries, with new neighborhoods being built around new city squares. The city square was the space for relations, a place where citizens of all ranks could meet.

In modern times, two factors arose that caused quality common meeting spaces to disappear. The first was the surge, connected to industrialization, in the rate of urban expansion. New neighborhoods are anonymous suburbs with no urban identity, where public space has lost ground in favor of private buildings.

The second is traffic. The automobile has played a decisive role in worsening the quality of public space. For millennia, cities were built for people; all streets were pedestrian. Then automobiles appeared and transformed the human environment par excellence in a dangerous place for human beings. Cars are dangerous; they take up space, spew out pollution, take over sidewalks and slow down buses. Cars have invaded common urban spaces with the disastrous effect of destroying the social fabric. This destruction forces us to incur in a number of expenses, such as those for raising children. The end of the time in which it was possible for children to move about freely within their neighborhoods has radically changed their way of life, making it more costly. Children spend much more time at home and when they do go out, they must be constantly supervised by adults. To what degree are the expenses that we incur for toys (alongside those for babysitters) aimed at providing entertainment and company for children who are increasingly alone? Analogous observations can be made with respect to the costs of caring for the elderly, since the modern city forces the elderly into dependency and destroys their possibility of establishing autonomous social relations. An urban life of this kind tends to produce a flourishing industry of solitude.

The cities we have built are the paradigm of processes, because they are powerful destroyers of environmental and relational goods and, precisely
for this reason, powerful producers of economic growth. In modern cities, things of quality (beautiful homes, smart nightspots, enticing shops, entertaining shows) are private and costly, whereas common and free things (the social climate or the streets and squares, which are noisy, polluted and dangerous because of traffic) are degraded.

One of the fortunate beneficiaries of this situation is the industry of evasion. A world in which silence, clean air, a dip in a clean sea or river, or a pleasant stroll are restricted to uncontaminated places and tropical paradises, is a world that tends to burn up considerable resources in order to escape from the unlivable environments it has created. In other words, it is a world in which escapism has become a need. And the frontiers of this desire to escape extend far beyond the vacation industry.

The decline in the quality of common space has also created an industry of urban leisure time. Modern cities respond to the poverty of low-cost meeting spaces with an abundance of expensive opportunities for time off. Leisure time marks the sphere in which income inequalities weigh most with respect to well-being, because they have a greater impact on relational possibilities. People with a lot of money have access to the full kaleidoscope of urban entertainment. But for those with little money, television is about the only thing left. This is a formidable incentive for increasing one’s income that (in turn fuels economic growth.

In any case, this city model condemns certain social strata to the role of losers with no hope. In fact, it is largely the differences in age that create inequalities in relational opportunities. These inequalities do not coincide with those in income, because they disadvantage people with lesser physical abilities, such as children and the elderly (and the disabled). This is why I define these inequalities as «generational».

Under many aspects, decay turns us into hard-working producers and enthusiastic consumers. We attempt to escape from neighborhoods with no identity and soul, and thus more exposed to decay, by working and producing more, by living with stress and haste, by using our cars more and more. We need money. By acting in this fashion, we contribute to the relational and environmental decay from which we are trying to escape. It is the vicious circle of NEG processes.

8. United States: the expansion of the low-density city

American cities, and in particular the new neighborhoods built during the housing boom of the past twenty years, have followed the model of the low-density city. That is, suburbs with single-family houses often surrounded by a garden. It is a city model that puts American cities at a disadvantage with respect to European ones from a relational viewpoint.

In fact, the potential advantage of the historic centers of European cities is that these were designed for pedestrians. Conversely, low-density cities are designed for automobiles, because the distances that separate homes from centers of interest, such as shops, are quite large. Several American suburbs don’t even have sidewalks, witness to the fact that the streets are not for pedestrians. They are cities made up of lonely suburbs, far from theaters, museums, restaurants and downtowms. This is why cultural activities are scarce.

In this situation, malls have become the places for relations. They offer a pedestrian refuge where, among other things, children are safe. Families spend their leisure time there. Yet relational opportunities are immersed in the context of an incessant stimulation of possession. This leads to the exclusion of those people who cannot buy.

A high-frequency public transport system in a low-density city has prohibitive costs. Low population density results in long distances and limited ridership. The scarcity of public transportation penalizes particularly children, the elderly in poor health, young people without cars, and those people who cannot afford one. This leads to the creation of an urban environment based on exclusion.

This type of urban expansion has helped to create the formidable profile of the American consumer, because it created the need for costly lifestyles. A lot of money is needed to pay for leisure time, for comfortable, large and accessorized homes and cars, and for many other goods that have become status symbols. And even to pay for a lot of lawyers, who have become an almost basic need in an increasingly conflictual society.

The economic crisis that began in the summer of 2007 – and which is far from over to this day – is the outcome of the type of growth that is generated by NEG capitalism.

The prologue to this crisis lies in the accumulation of the immense debt of American households. They contracted this debt to finance their excess consumption. In practice, Americans used mortgages and credit cards to live beyond their means. For over fifteen years they bought more consumer goods and larger and nicer homes than they could afford. Thus the root of the crisis lies in the extreme drive towards consumption generated by American society.

The epilogue is the contagion of the rest of the world by the American crisis. The infection carriers were the by-now notorious toxic bonds. Structured assets created by securitizing the debt of American households, mixing debts with high and low default risks and making it, therefore, impossible to distinguish the risk of default of single bonds. These bonds were sold all over the world.

When a reduction in real estate values in America triggered the crisis of the sub-prime mortgages - the worst kind of mortgages -, the bankruptcy of a few Americans mutated rapidly into the potential bankruptcy of many. Beginning with the default of banks worldwide, all more or less holding tons of (toxic) bonds on the debt of American households. The consequence was the dramatic increase in inter-bank rates, followed by the credit crunch, which then lead to a global recession.

But the origin of all this is the solid entrenchment of NEG capitalism in America. In other word, the origin of the crisis lies in the consumption bulimia of Americans and the latter lies in their growing relational poverty. A society that produces people who are increasingly lonely and more and more agreeable to consider buying as the solution to their problems tends to live systematically beyond its means, if the conditions of the credit market allow it to do so.
The conclusion we can draw thus far is that to promote our happiness, we need to build a world that is more attentive to the relational dimension in life. But this is necessary also for our economic stability. Neoliberal capitalism, in fact, creates huge imbalances between the satisfaction of material needs and the dissatisfaction of relational ones. These imbalances, through the credit market, can be translated into global economic imbalances that lead to profound planetary crises. This is why it is vital to bring forth a program of economic and social reforms that can allow us to build a relational society. It is the antidote to neoliberal capitalism, the treatment that can cure the relational disease that this type of capitalism has generated. The following are some examples of what we can and must do.

1. Change our cities

My proposal is to organize relational cities. These are based on a reorganization of space and mobility. It must become possible to live having to travel shorter distances, being able to spend more time in one’s neighborhood, moving about it by foot or bicycle. The use of private cars must be drastically curtailed and mobility between the various neighborhoods must be guaranteed by public mass transportation.

Relational cities are one of the most crucial aspects of my proposal to attribute to children a much higher priority than is currently the case, because they are the paradigm of the tight bond between space and mobility in determining the relational experience. Children must have quality pedestrian areas close to home and be able to reach them on their own.

The key elements of a relational city are the following. Private cars must be drastically restricted as a structural measure, in order to encourage all residents to use public transportation. The population density must be high. There must be a great number of squares, parks, quality pedestrian areas, sports centers and so forth. The ideal pedestrian areas are near water: sea sides, lakes, rivers, streams, canals. These areas must crisscross a city to form a pedestrian and cycling network. There must be as many wide sidewalks and bicycle paths as possible. Cities must be surrounded by a wide swath of publicly-owned land on which parks and housing can be built.

2. Change urban space

High quality public pedestrian areas, parks, squares, sports centers and the like, are not luxuries, but a basic need, like schools or hospitals. Their contribution to the quality of life can be superior to that of an increase in individual consumption, since we need to be able to walk and be in the middle of people in order to be happy.

Public space should provide the pedestrian protection offered by malls but out in the open, substituting commercial pressure with the open sky, with trees, birds, park benches, social inclusion. Cities must be crisscrossed by a network of pedestrian areas that can offer opportunities for well-being and low-cost mobility. Some pedestrian areas do not even require any public expenditure. Sunday traffic blocks are such an example.

The issue of access to space has always been crucial in human history. Urban society re-proposes this concern in a different context than rural societies, where the problem was access to agricultural land for peasants. Land was contended between large landowners and poor peasants. In urban societies, however, the issue is access to public space and the conflict is between pedestrians and automobiles.

3. Reduce traffic

The sole solution to the problem of reconciling mobility and urban livability is a public mass transportation system that must be used not only by poorer but by all residents. Cars should be severely restricted. This is all the more needed in European cities, which were largely designed for people and not for cars. The goal must be to offer, at a reasonable cost, decent public transport for the entire population.

Instead, the trend over the past few decades has been to try to solve traffic problems by building more roads. This is a reaction akin to coping with a fat belly by loosening one’s belt. Building more infrastructures for traffic has the sole effect of
generating more traffic, which brings us back to the starting point.

Some countries have also often chosen the solution of increasing the costs of using a car, for example, by sharply raising the risk of costly fines or by introducing fees for accessing congested areas. In practice, the right to mobility is up for sale with the result of creating a sense of exclusion for those who cannot afford it. This is why this choice has disastrous consequences for social cohesion in the long run.

There is a very close connection between mobility and social inclusion. It is not a coincidence that more than 30% of the population in countries like Holland or Denmark, where the winters are very harsh but the egalitarian vocation quite strong, moves around by bicycle. The building of quality cycling paths can be a much more tangible sign of democracy than many others.

4. Change our schools

What do we learn at school? Today’s schools obviously teach a variety of subjects. Yet they impart this learning by inflicting an unnecessary amount of stress and by destroying important forms of knowledge. The reason is that this type of education is based on three misconceptions.

The first is the inability to comprehend the fact that the classroom is no longer the sole place for learning. This generates a model of growing segregation in which studying and going to school tends to occupy most of the time of youngsters. Yet, we learn most things outside of the classroom, often quite casually or as a side effect of some other activity, such as social relations or trips. School takes up too much time. It takes time away from other experiences that are fundamental in the formation of an individual.

The second misconception is the exclusive concentration on ‘results’, which implies the destruction of other forms of learning. Concentrating solely on testing destroys other basic elements of the learning process: original and critical thought, experimentation, innovation. Last but not least, it destroys the sense of possibility. The haste generated by extensive programs and pressing deadlines has a similar destructive effect on the capacity for critical thought.

We should be promoting creative learning and this requires a variety of opportunities for expressing one’s abilities and skills. Creative learning requires also creative teaching. Instead, teachers are undervalued with respect to their social function and underlie centralized targets and directives that undermine their curiosity and imagination.

We are favoring only cognitive intelligence at the price of destroying other forms of learning. In reality, there are many types of intelligence that we should encourage: relational, musical, spatial, physical, emotional, social. It is necessary, therefore, to increase opportunities for sports, arts, games, creativity and relationality.

The relational message of schools is competition and hierarchy: competitive relations between students and hierarchical relations with teachers, repositories of the secrets of the path to results. For students, education is what others have decided and it is unmodifiable, at least with respect to their needs. Likewise, the current doctrine of individual results promotes only competitive relations among students. Schools do not allow any room for a sense of relational possibility. An increase in group work and evaluations should instead promote cooperative relations. We should also allow students to develop their inclinations for adapting the social and institutional environment to their needs.

The third misconception is the failure to comprehend that learning works much better when it is associated with positive emotions. The rationale for this fact, which is quite apparent in the formation of children who learn by playing games, is explained by Damasio in *The error of Descartes*, where he shows us that cognitive activities require emotions to play an active role.

The proposal for reconciling learning and well-being is generally countered with the objection that many subjects have a high technical content, which makes their assimilation boring and requires the incentives of sticks and carrots. The problem of technical content is obviously a central issue in most fields of learning. For example, both speaking foreign languages and playing music have a high content of «grammar». But the idea that technical content should be taught by hammering in technical content was abandoned decades ago in teaching these subjects. Foreign languages are no longer taught starting off with their grammar; music is no longer taught by having pupils repeat boring solfeggios for months on end. The technical element is taught jointly with the more «interesting» aspects of the subject. Yet schools still seem unable to acknowledge a fact that has been perfectly understood by people who sell learning courses.
The exclusion of a sense of interest and enjoyment from the educational curriculum has severe consequences in terms of promoting materialism. Students are not called on to study because studying is interesting per se, but because an education increases the possibilities of finding a good job, of keeping the bogeyman of social exclusion at bay. In this fashion, schools imply that the motivation to study is instrumental. They suggest that what matters in life are extrinsic motivations. Ultimately, the message that our schools impart is analogous to that of advertising. Money and social inclusion are what counts; these are the keys to a good life.

We should be teaching the opposite of what we are teaching. We need to combine enjoyment and production, to impart an active attitude with regards to our education and towards those in authority, to be masters of ourselves and our time, to be profound and creative, to include and cooperate. Instead, we are educated to boredom, to passively follow the whims of those in authority, to be in conflict with ourselves and our time, to be superficial and uncritical, to exclude and compete.

In short, we should be developing a sense of possibility and instead we are suffocating it. Today’s school has the function of reproducing the status quo, whereas it should function as an engine for change. With this aim in mind, we need to redesign our school system from the ground up: teaching methods, study programs, institutional management, architecture, organization of space.

Mass schooling has been shaped by the culture of stress. This culture, which associates production and stress much like a Pavlovian reflex, has generated the three keywords of today’s schools: cognitive education, segregation, increasing workload. These elements generate individuals who are increasingly second-rate, passive, disinterested, uncritical, uncooperative, resigned or rebellious. The educational choices at the root of these results are based on ideas of the past century, which was dominated by the enormous need of industrial societies for social control. In fact, two of the key aspects of education, boredom and obedience, are basic requirements for workers of (large) factories.

But this type of education emerges as anachronistic and generates not only human but productive debris as well. In fact, advanced economies are now in a post-industrial phase, in which the decisive determinant of the success of countries and individuals is no longer the discipline of the workforce, but rather its creativity. The first country to understand this and to re-organize its educational system accordingly will gain a great competitive advantage.

5. Reduce advertising

The negative effect of advertising on the well-being of adults, and the even more devastating one it has on the well-being of kids, motivates my proposal to ban advertising targeted at the latter and to heavily tax advertising targeting adults. These measures should be applied in particular to the more pernicious and invasive types of advertising, such as television ads. The goal of this taxation is to make advertising more expensive for companies in order to induce them to reduce the barrage they inflict on us. Moreover, the ensuing tax revenues could be used to finance relational policies. I also propose regulations to limit the intrusiveness of advertising in certain spheres of life, such as those concerning friendship or relations in general.

These types of proposals have been advanced for some time and have led various countries to apply certain restrictions. Sweden, for example, has banned television advertising aimed at minors under the age of 12. But, in reality, these measures find little or no room in the political agendas of most Western countries. Why? The obvious inconsistencies of the arguments raised in defense of advertising – discussed in detail in the fourth part – make it clear that the answer is not to be found in any contraindications to this decision. The answer lies elsewhere.

6. Change democracy

To be more precise, the answer must be sought for in «post-democracy». Colin Crouch uses this term to indicate the fact that present-day democracy is characterized by the growing influence of economic elites in the political decision-making process. Decisions are taken based mostly on the interaction between elected politicians and private factions that represent almost exclusively economic interests. Instead, the great mass of people finds its opportunities for participating in the definition of public choices - not only by voting but also through debate and independent organizations - increasingly reduced.

Post-democracy is not democracy, in the sense that is has regressed the exercise of political power to a pre-democratic situation, one in which this was the prerogative of closed elites. The role of the citizen has been reduced to being called to vote by unrelenting campaigns, managed by
communication professionals who shape the public debate along a limited series of predetermined issues. Beyond these electoral rituals, citizens are expected to play a passive, acquiescent, apathetic role.

Predictably, post-democracy produces feelings of exclusion, disappointment and helplessness that serve to entrench ever more profoundly the current crisis of politics with regards to the citizenry’s stance on participation, legitimacy and trust.

In such a situation, the political decisions that are taken are not intended to protect the vast and dispersed interests of the many, but rather to protect the strong and concentrated economic interests of the few. Post-democracy is the main reason why decisions such as the ban on advertising targeting kids have no priority in political agendas. Such decisions would strike a blow at the powerful interests of the advertising industry and of multinational corporations – the prime purchasers of advertising – to the great advantage of the well-being of our children. Broadly speaking, post-democracy is the main obstacle to the implementation of relational policies.

Post-democracy is a mainstay of the institutions of capitalism. It encourages us to expend our efforts in trying to make money instead of attempting to build a more livable world, in spite of the fact that what we really need is a more livable world and not more economic prosperity. The problem is that our only chance of building a more livable world is to act collectively. Politics is the most important form of collective action, but post-democracy represents the failure of politics to stand for the interests of common people, which are to make society a more livable place. Instead, politics has been surrendered to the sole interest of large economic powers, which is to make profits. Private profits, which often thrive on the shambles of collective livability.

Post-democracy, therefore, discourages collective action aimed at creating a more livable world. All that remains is for us to make money. Since our world is in dire straits, let’s at least try to make it as individuals. Thus, post-democracy fuels the race for money.

Why has a system that was invented to enable the participation of common people in the affairs of state evolved in such a way as to exclude them? The answer is money. Political parties need large sums of money, mostly because the costs of electoral campaigns have mushroomed out of control in Western countries. And large corporations are first-rate financial sources. This, in turn, makes political parties very attentive to the interests of big business.

Democracy must be changed. How? An appropriate combination of public financing of political parties, of regulating their access to the media and of low limits to their spending could give good results. Public financing is necessary to reduce the dependence of political parties on big business. Both the limitations to their spending and the regulation of their use of the media have analogous goals: to reduce the costs of politics. For example, in many countries, the main expenditures of political parties are for television advertisements during an electoral campaign. This could be banned.

7. Change the work experience

The satisfaction that people feel with respect to their jobs has not increased in the United States over the past thirty years, despite a significant increase in wages. This type of problem concerns the entire Western world. The promise of economic growth to free us from the biblical damnation of the burden of work has not been kept. All surveys show that the working experience is generally associated with feelings of pressure, coercion, fatigue, stress. Why?

A vast body of research on the determinants of satisfaction for one’s work provides many indications. These studies confirm that relational needs are crucially important. The quality of relations with colleagues is decisive when it comes to satisfaction on the job. The latter increases with an increase in trust among the people we work with and when relations with bosses are perceived as based on respect, cooperation and support. The most satisfying jobs are those where the communication style of managers is based on these criteria and where interpersonal contacts are more frequent.

Besides with the quality of relations, satisfaction increases also with the sense of control over one’s work, with the opportunity of expressing one’s skills and with a diversity in the tasks to be performed. This suggests that needs such as autonomy and self-expression matter also in the work experience. On the other hand, well-being on the job diminishes with an increase of all those things that produce stress and overloading in the workplace.
What should we do? Work should become more interesting and less stressful. It must be perceived as having a sense and as a means for building relations and social contacts. There are at least five methods for achieving these results.

1) Redesign the content of work processes to make them more interesting. For example, trials using job rotation or work redesign have given good results.

2) Increase the degree of discretionary power and autonomy of workers.

3) Reduce everything that generates stress: pressure, controls, incentives.

4) Increase compatibility between work and other spheres of life. Examples include: facilitating work at home (for instance teleworking); promoting child-care facilities near the workplace; increased parental and elder care leave. Patterns of breaks from work for educational or leisure activities; employing flexible working hours.

5) Improve relational experiences on the job. The problem here is the delay of corporate culture, as yet largely unaware of the importance of the quality of relations in the workplace. Managerial training is not yet fully conscious of the importance of the communication style of executives, of a proper appreciation of the work of others, of relations based on respect, of the establishment of friendships on the job.

8. Less stressed and less efficient?

Instead of following these guidelines, we took off in the opposite direction. Starting with the 1980s, a flood of «restructurings» hit first American companies and then those in the rest of the West. Restructurings are those re-organizations of the workplace that generally result in an increase in pressure, controls, competition, human conflicts, symbolic and material penalties and rewards.

These restructurings follow a prevailing conviction among economists, namely that a stressful job is the price we have to pay for economic prosperity. In essence, to relax the pressure in the workplace would induce us to slack off, ultimately making all of us poorer. The recipe for efficiency on the job is to squeeze the workers.

But studies on the relationship between satisfaction for one’s work and productivity belie such a conviction. Workers who are more satisfied are more, and not less, productive. In short, unhappy people work poorly.

The fact that too much pressure does not improve efficiency on the job is further confirmed by studies on motivations and efficiency in the workplace. A large body of experiments and case studies indicate that monetary incentives and controls substitute intrinsic motivations to a significant extent, provided that the tasks to be carried out are at least somewhat interesting. In essence, what happens is that workers placed under pressure tend to perform better at those tasks that are monitored, measured and motivated by incentives, and perform worse at those tasks that are not. The pressure of extrinsic motivations on certain aspects of performance destroys the sense of responsibility regarding other aspects.

In conclusion, relying solely on extrinsic motivations in the workplace tends to work well under two conditions: when all significant aspects of performance on the job can be measured and when the work is so completely uninteresting as to entail the practical absence of intrinsic motivations. The problem is that the difficulties in measuring performance are the rule and not the exception in human labor. This is generally a multi-faceted and complex activity and many of its features can not be easily measured. In addition, research indicates that work generally has – at least in part – an intrinsically motivating content, even in jobs that are apparently wholly uninteresting. Thus the cases in which the efficiency of human resources can be entrusted solely to controls and incentives are special ones.

The message deriving from this analysis is not that it is possible to build an economy completely devoid of extrinsic motivations. Incentives are important and the prosperity of those economies that are largely based on them is witness to this fact. But it is an illusion to believe - a perspective that became widespread both in theory and in economic practice in the past quarter century - that it is possible to promote the efficiency of labor exclusively with an obsessive use of incentives. In most kinds of jobs, nothing can completely substitute intrinsic motivations such as professional ethics, a sense of responsibility, an awareness of one’s role.

No economic system can function by appealing solely to extrinsic motivations. Not even capitalism. To work well, it is important to feel that one is treated equitably, to be acknowledged for one’s skills, to believe that one’s sense of fairness is respected, that what one does will further personal growth, that one is considered trustworthy, that it is possible to trust the people we work with.
9. Change healthcare

How do we improve people’s health? The spontaneous answer of most people would be: what matters most is the wealth of a country and how much of it is spent on healthcare. In other words, higher economic standards and, in particular, a higher expenditure for healthcare should be able to guarantee better public health.

This, however, is a wrong answer. In comparing Western countries, we find no relationship between per-capita GDP and healthcare expenditures of a country on the one hand, and the results this country obtains with respect to the health of its citizens on the other. For example, the United States has one of the lowest life expectancies to be found among rich countries, in spite of the fact that it has a much higher per-capita healthcare expenditure than any other nation.

Why does a country that offers its citizens first-rate healthcare not necessarily achieve better results in health than countries with lower levels of healthcare?

Epidemiologists offer a clear answer to this query. Healthcare expenditure is only one of the elements that influence health and longevity. Abundant research indicates that happiness plays a dominant role in the health of individuals and populations. Epidemiologists are also perfectly aware of the link between relations and well-being. Health, mortality and life expectancy are strongly correlated with the relational experience. Having friends, love affairs, participating in groups and associations, having an identity, support and social integration, trust in others, all these protect the health of individuals and populations. This suggests that rich societies over-spend in the cure of diseases paying the price to under-spend in their prevention. The most important kind of prevention takes place outside of healthcare systems and it is achieved by promoting relations. The positive effects of an effective healthcare assistance can be thwarted by relational discontent.

Healthcare systems are the end stations of this malaise. The latter tends to turn into health problems and to create pressure on healthcare systems. Healthcare expenditure is, therefore, not only the method we use to defend ourselves from sickness, but it is also one of the remedies we apply to the damages created by this malaise. It is one of the many ways in which the malaise fuels the economy, becoming the engine of expenditures that cause the GDP to grow.

This malaise is, in turn, a problem of relational poverty and the latter is a social construct. This observation suggests that we spend too much on healthcare and that we could obtain far better results in health and a reduction in healthcare expenditures by encouraging relations – including fundamental ones such as those between medical personnel and patients.

10. Conclusion: State, market, relations

In the picture depicted of the relational sickness, the United States is the sickest patient in the West, because its socio-economic organization, its culture and its educational institutions have been oriented over the past thirty years towards levels of competition and possession never experienced before, neither in the United States nor elsewhere. In addition, Americans are subjected to an unparalleled mass media and advertising barrage. Due to the changes that have occurred in the past few decades, markets occupy more space in the US than in other Western countries. In fact, market mechanisms have penetrated into spheres of social life that were previously regulated by other mechanisms. The private sector has conquered new ground in pensions, healthcare and education. In addition, the labor market has become the most flexible in the industrialized world. The freedom to fire has become practically complete and unemployment compensation has been reduced.

When the market penetrates all aspects of social life, its effect in promoting materialism is amplified to its maximum extent. Moreover, American culture seems to be the one most inclined towards materialistic values among Western countries. This is due to the relatively greater role played by the media in shaping this culture and to the importance given within it to the American dream. The European situation is better, but this does not authorize us to exaggerate these differences nor to praise European trends. The increase in happiness and in relational goods in Europe is quite contained. Also limited is the reduction in working hours, which instead seems to have halted since the 1980s. In short, we Europeans are not using our economic prosperity to promote what truly matters: happiness, relations, time. We are not immune to the American disease. We are not as seriously ill, but we will become so if we continue to ape America.

Instead, we have the possibility of learning from the errors of America. This is why I concentrated on several possible cures. Although I have identified
the negative relational impact of competition as a main cause of this disease, the proposed treatment is not intended to overcome the market economy. Instead, the proposal is to use the market in an intelligent manner, differently from how we are currently using it.

To use it in wisely means, first of all, to understand that there are sectors that produce goods, which are important for the quality of relations and that it is important for these sectors to operate in highly competitive conditions. For example, competition has proven to be an effective way of contributing to the relational quality in urban organization. Indeed, a high level of competition is generally desirable for the urban access to certain goods and services such as, for example, taxis, shops, restaurants, bars and the like.

Italy provides a good instance of the negative effects of the limitations to competition in the taxi sector. There are generally very few taxis in large Italian cities due to the limited number of licenses. Trying to find one can entail long waits and fares are very expensive. In Italy, a taxi ride is a luxury good. Yet in many cities of other countries huge numbers of low-cost taxis have reduced traffic: for a Barcelonese or a New Yorker it is normal to use taxis to travel into heavily congested areas. In Italy, the deregulation of licenses would cause an enormous increase in the number of taxis in circulation and a sharp drop in making taxis accessible to large numbers of city residents that do not use them now because of the current exorbitant prices. This would reduce traffic, which has a devastating relational impact. It would reduce pollution and noise, the tendency of cars to invade pedestrian spaces, the stress of city residents forced to use cars because of the lack of alternative transportation, and so forth. It is not my contention that the deregulation of taxis is the cure-all for traffic problems. Such a solution requires also the decisive intervention of local administrations in terms of the organization of mass public transportation. But the issue of taxis provides an example of how high levels of competition in certain sectors can generate positive relational effects and do so in an easy and rapid fashion.

An analogous example concerns bars, cafes, restaurants and shops. The presence of a large number and of a wide variety of these businesses is vital for the liveliness and the livability of a city. Again, Italy – where these licenses have been historically restricted in various ways – provides an example of the negative social impact of the limitations to competition in these sectors.

Generally speaking, the market has proven itself a formidable instrument for generating economic prosperity. The latter can have a positive impact on our well-being and our relations. It can, but this does not necessarily mean that it always does. Its positive effect depends on what generates it and how it is used. There is no positive effect if economic prosperity is generated by an individual attempt to defend oneself from relational decay, in accordance with neg mechanisms. On the other hand, there is a positive impact if we use economic prosperity to encourage, and not to hinder, relationality.

An intelligent use of the market means also understanding that there are spheres of social life in which it should be only limitedly introduced: pensions, healthcare, schooling. The American experience over the past thirty years suggests that the diffusion of market mechanisms into these sectors implies the condemnation of a vast portion of the middle class to mass precariousness. Also the complete freedom that businesses in the United States have to fire workers has engendered a similar effect of promoting a state of collective insecurity.

An intelligent use of the market implies also the need to understand the effect that competition has on our cultural formation. Competition induces us to think of ourselves and of others in ways that do not favor good relations with ourselves and with others. This effect caused by competition is amplified by those formative institutions that are typical of a market economy, such as the media. The current approach of the school system amplifies these effects as well.

Instead, we need to protect our thinking from the obsessions of competition and possession and to pay particular attention to protect our youth. In an economy where markets play an extensive role, this means to endow individuals with a sense of possibility, with a sense of control over their time, with the capacity to understand their own needs and with the ability to listen to others. Today’s schools and the media do exactly the opposite.

A change in social organization can do much to improve the quality of relations. The model I propose is based on public pensions, schools and healthcare, on an adequate protection of jobs, on rigorous policies for the protection of the environment and on a different organization of the school system, of healthcare, of the media, of cities, of work, of democracy. And, of course, on a different culture.
The economic and political debate of the 1900s was centered on the contraposition between state and market. The various stances that fought for consensus were based on a specific notion of which of the two could best organize economic activity or on what the best mix of these two would be. This contest seems to have ended towards the end of the century with the victory of the market. The currently prevailing idea is that competition is the preferable form of organizing social life. In other words, competition is desirable in all spheres of social life wherever it is possible.

In light of my theses, both the contraposition between state and market and its current conclusion seem misleading. The contraposition is misleading because the fundamental component of well-being is provided neither by the state nor by the market, but by networks of relations. These networks are important for well-being, on the one hand because they have a direct impact on it and on the other because they facilitate cooperation among individuals for economic purposes.

We have had too much state, too much market and too little sociability. A profusion of contributions from various fields of social science indicate that there exists an alternative to the historical public-private dilemma and that this alternative is the social sphere. The 2009 Nobel Prize for Economics awarded to Elinor Ostrom was a prize assigned to research that shows that starting from the bottom is a credible alternative. Similarly, the success of micro-credit activities in poor countries provides a further example of the potential of empowering people.

The important point is that both the state and the market can either provide important contributions to the formation and sustainability of relational networks or hinder them. Their impact on relations depends on how state and market are used and the selected mix.

It should be clear that there is no general answer to the question of which institution, state or market, is the most suitable to contribute to the formation and sustainability of relational networks. The correct answer is: it depends. It depends on the issue under consideration and the proposals presented herein give a concrete example of this logic.

It should be also clear that the currently prevailing opinion, that it is desirable to use competition in all possible situations, is misleading because the market is a form of economic organization that associates an enormous potential for productive development with great dangers. The dangers in terms of the environmental sustainability have been at the core of the environmentalist critique of the market economy. But the dangers in terms of relational sustainability emphasized in this book are no less great.

Instead, the prevailing cultural climate has tended in the past decades towards a kind of mystique of the market. According to this view, something is good only because it is produced and traded and the desirable level of competition is the maximum possible in all social spheres. This climate indicates that humanity is in a primitive phase of its apprenticeship in the use of the market. In fact, this viewpoint is naive because it disregards the fact that there are needs that cannot be satisfied by commodities, that some commodities are poor substitutes for goods that cannot be marketed, and that competition has a profound influence on our values and our relations. The market mystique does a great disservice to the market system, because it loads it with tasks and responsibilities that it cannot handle. The market is a good idea in many cases, as long as society is able to control its tendency to invade every sphere of social life, especially our minds and particularly those of our children.

11. Some objections

11.1 A relational society is utopian

One objection that has been raised with regards to my project for a relational society is: even if we concede that it is desirable, a relational society is unfeasible; it is a utopian project.

This is an unfounded objection because every one of the proposals I advance has been put into practice in some part of the world and they work well. In the sixth part, I provide many concrete examples of these implementations, drawn from the organization of work within firms, from educational and healthcare systems, from urban policies and from various aspects of economic life. These examples are part of a global trend that is shifting society in a relational sense. They are all pieces – at the moment unaware – of a puzzle that represents a global movement that arises from concrete search for solutions to actual problems, from the perception of the possibility of specific and tangible changes. These various pieces share the same principles of relational progress and the humanization of society. Yet they are still largely unaware of being part of a comprehensive project
because a culture that is capable of bringing this project to the fore is being formed only now.

This project is by no means a utopia. Utopian is, instead, the belief that things can continue as they are, that a society that ignores relations is able to generate progress, quality of life, economic stability, well-being. I have provided concrete examples of the disasters produced by this utopia: after all we see one on a vast scale, the United States.

11.2 A relational society creates unemployment
A second objection is: the price to pay for a relational society is higher unemployment. Even conceding that a society with less consumption and more relations is desirable from many points of view, it is not so from that of employment. Any social alternative that leads to a reduction in consumption will in fact produce an increase in unemployment

This objection is based on the traditional vision of consumerism as a positive factor from the point of view of employment: more consumption means more sales for businesses and, therefore, more jobs. But this argument can be reversed: consumerism can generate more unemployed people than a relational society.

Let’s see how. The unemployed are those people who are looking for a job and cannot find one. Their number depends, therefore, on two other numbers: the number of people who are looking for a job and the number of existing jobs. Unemployment can drop if there is an increase in the number of jobs and/or if there is a decrease in the number of people who are looking for a job.

The problem is: how important is the need of reaching a certain standard of consumption in the decisions that households take with respect to how much work to look for and accept? The answer is quite a lot. The decisions of households concerning how many family members want a job and if it should be full or part-time are conditioned by their spending requirements. The downside of a world of people who want to consume a lot is a world of people who have to work a lot.

This is why the choice of favoring consumption as the means of alleviating unemployment does not work. This choice bets everything on the increase in the number of jobs, ignoring the fact that consumerism has also a negative effect on unemployment: it increases the number of people who are looking for a job and the number of hours these people are willing to work. The reason is that consumerism creates a need for money. While it does increase the number of jobs, it also increases the need for people to work.

Instead, we need to stop this vicious cycle of spend more – work more. The goal of a relational society is to achieve precisely that. The method is on the one hand to reverse that decay that forces us to spend as a defense against it and on the other to create a culture that allows us to overcome the illusion that buying is the solution to the greater part of our problems.


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