

ECONOMICS OF NEED AND ECONOMICS OF WANT A PHILOSOPHICAL ANALYSIS

In common parlance we often use the words want, need and satisfaction. Many a time we use the words, *want* and *need* as if they were synonymous. Sometimes, however, we do recognize that they do not always mean the same thing. Let us try to understand what is conveyed by the uses of the words want and need. Let us consider the two sentences :

1. I want X, and
2. I need X.

Perhaps in these cases it may not be possible to point out the difference in the use of the words want and need. But now consider the two other sentences :

3. I want rice, and
4. I need food.

Are these words now used synonymously¹ ?

When I use the word, need, it should denote some kind of necessary relation between the organism, i. e., myself and a certain entity or commodity. The doctors, e. g., may say that my body needs certain balanced food, that it needs some calories in the form of proteins, carbo-hydrates, fat, vitamins etc. It is immaterial what form they assume or in what form they are given to me. *Need* then is concerned on the one side with the requirements of the organism and on the other side with the objects required. Like knowledge it requires an object (and in this context a physical object) which would satisfy the requirement of the organism. Of course, this object need not exist or be present at that particular moment. Let us contrast this use of the word, need, with the use of the word, want. Just as the word, need, 'behaves' like the word 'know' similarly the word, want, behaves like the word, feel or believe. When I feel that there is something, (unless the word feel is used in connection with sensation), the existence of the object at that or any other time is not ensured. Similar is the case so far as the behaviour of the word, want, is concerned. My wanting X does not really ensure the existence or presence of X

at that or any other moment. If I say I want a flower of Bakāvali, it does not follow that there is the flower of Bakāvali. The word, want, thus has its emphasis on the subjective side; I can certainly use the word, want, without there being anything to which the want refers. If a person who 'wants...' is free, he can imagine anything by way of want. It is this 'freedom' of man which gives rise to the possibility of infinite wants. This is not possible in regard to needs. No doubt man's needs can increase but they cannot increase beyond a certain proportion. I can then say that need operates in a certain range. Again just as I can say, I need X, similarly, I can also say that Rama, Hari or Krishna needs X. This is possible because need is a relation between an object and the organism.² In fact it appears to me that I should be able to use the word, want, primarily, only with 'I' the first person singular pronoun. Just as we can only say loosely that *he* knows something, and we can only primarily say, 'I know...', in the same way I can also say that in the strict sense of the term I can use the word want as in the sentence 'I want X' but not as 'he wants X'. In the same way as I stated earlier, I am free to have my wants, I may either want something which exists or I may just imagine something and say I want it.

Like the use of the word, want, the use of the word, satisfaction, also must be carefully understood. It is true that we do use the word, satisfaction, in such sentences as Ram, Hari and Krishna were fully satisfied. But in the primary sense of the term the word satisfaction, also goes with 'I', and only because we also believe in communication that we are able to transfer this use to a third person and thus make the objective use of the word possible.

My observation regarding the use of the word, want, and satisfaction leads me to a very important corollary: man's wants can never be satisfied. Satisfaction of the one want would lead to another want and satisfaction of that want would lead to another want and satisfaction of that want would lead to a third want and finally a stage would come when there would at least be one want which would be dissatisfied, however great our resources may be. Satisfaction of need would behave altogether in a different way. It would of course depend on the availability of resources. But with sufficient resources it should be possible to satisfy our needs.

Want is a subjective notion and it may indeed be admitted that such subjective notions and ultimate non-satisfiability of such subjective 'notions' lead to man's intellectual progress. It may also lead to discoveries and inventions and through man's untiring effort make that which is imaginary develop into that which is actual.

But just as wants could be about imaginary things they could also be about objects or commodities which become available to a person who wants them. Wants under such conditions may mean the present non-availability but the possible availability. Imagine that I want a particular thing, which is not available with me, then if my want is so intense, I might make every effort to fulfil my want by getting the thing from a person who has it. This may be by any of the four means: (1) I may, e. g., request him to give it to me, (2) I may buy it from him, (3) I may steal it from him, or (4) I may even force him to give it to me.

All these four alternatives have an important implication in man's life and under certain conditions all these four cases could be cited as cases of exploitation. In fact all these cases could also be true in the case of need. But they are more obvious and manifest in the case of wants. In the case of need the operation would take place within a certain range.

Before I proceed further it may be pointed out that although wants are private, there could be similar wants of different people. And unsatisfied people who are not in possession of objects of their wants may create an organization in order that a possibility is created for the satisfaction of their wants. Thus, what is true of an individual may by some transference be also true of an institution or of an organization of individuals like a company or society or even of a state.³

In order that our wants are satisfied we will have to persuade or force others, by some of the means mentioned above. It is possible for me, e. g., to say, 'Give me a certain thing as a gift'. It is also possible for me to steal something. Since the first thing is irrelevant for the purpose and the second one is not generally regarded as respectable I would turn my attention to the remaining two alternatives, i. e., taking a thing by force and buying a thing. Although taking a thing by force is again not regarded as respectable, when one nation resolves to force against another nation, at

least in the patriotic logic of that nation, the move is regarded as respectable. This is what is known as war. The remaining alternative is that of buying. Ordinarily, it is difficult to believe that even in buying there is exploitation. But when barter was replaced by money economics, the possibility of such a thing became more evident. This is, of course, not to say that in pre-monetary, i. e., in barter too, this kind of exploitation was altogether absent. In fact, at individual level, a more needy person can always be exploited by a person who possesses or owns the commodities needed. It is also possible that the person with superior power may exploit a person without such power. One can, e. g., quote the cases of bonded labour or 'bigar'. But in monetary economy the exchange can provide for a more sophisticated form of exploitation.

It is this form of exploitation which has become very important. Buying has another side, called selling. In money economy in order for me to satisfy my wants, I am required to create money. I do it by selling my goods, my commodities, to others. My commodities are naturally the products of the natural resources available to me and the labour. I have put on it. But when I sell my commodities to others I want more price than the cost of my labour and the raw material. If I succeed in selling my commodities to others at a higher price than the difference between my sell price and my cost price is my profit. Perhaps I have over-simplified the concept of profit. But let me clarify a point. What I now call a finished product (commodity) has passed through a number of previous processes such that the finished product became the raw material at the next stage. Thus what I call the cost-price of my commodity, may itself be a selling-price at some stage, and what I call my raw-material may itself be a finished product which would include this profit. The manufactured goods at one stage may act as a raw-material for some other stage. However, on account of my skill if I am able to sell my commodity at a price higher than my cost-price I have succeeded in getting profit. And to that extent I have been able to exploit my buyer (also my workers). It is, however, possible that the buyer may have sometimes uper-hand and I would have to sell my good without profit or even in loss. If I own some perishable goods and if the buyer can wait for some-time, he can dictate to me the price at which he might buy my goods. However, coming to the problem of wants, if my wants are ever increasing, I shall have, to increase my resources, so that I

may be able to satisfy my wants. Thus, the logic of wants and the logic of satisfaction of wants are invariably and necessarily connected with the logic of creating more resources. These resources can be created in the following ways. Either I have to increase my natural resources directly or through labour or I must somehow get greater profits. All these three separately or jointly mean expansion.

Corresponding to my wants there must also be the wants of others. If I am to sell my commodities to others, others must *need* them or *want* them. If others need them, the problem is relatively simple. But if others really do not need them, it will be necessary to create a feeling in them that they really want them, that without them their life would not be civilized or would rather be miserable. That is, in order for getting my wants satisfied, I must be able to create in others corresponding wants for my commodities. This is building or finding out markets. Sometimes political power can be utilized for creating such markets. In order to give protection to one particular kind of goods, it may be possible to increase duties on some other goods and make it impossible for the purchaser to buy any other goods except our own. If our proposition is that wants are infinite and that we must make an attempt to satisfy them, that progress, culture and civilisation depended on our possibility to satisfy them, it would follow that our markets must increase and expand, that they must be controlled by us and that we must get more profit in the process of selling our goods and reduce the margin of others in profit in buying the goods that we require from others for satisfying our wants. All this is the logic of exploitation.⁴

Before I proceed further, it is necessary to draw attention to as to how the words, want and satisfaction, came to be used. Both these words, as I have said earlier, properly belong to Psychology. But the Hedonist began to use them in Ethics. A human being has to have wishes, wants, desires and if these are fulfilled he gets satisfaction also. Normally we use the word satisfaction in this sense. Every fulfilment or completion of our act leads to satisfaction. Nay, every stage of completion and fulfilment is also accompanied by satisfaction. But the question is whether satisfaction is just an accompaniment of the end for which we are striving or it is the end in itself. The hedonists plead that satisfaction or pleasure is the end in itself and it is for the sake of pleasure that

we strive. This concept of pleasure as an end, however, creates several difficulties and paradoxes. Two of them are well-known in the history of ethics. : (1) If pleasure is the end how are we to measure pleasure quantitatively ? Can we have a pleasure calculus ? In such a case the source from which we derive pleasure becomes unimportant and as was said in the 19th century ethics, a *puskin* would become as good as poetry. In that case value would have no significance at all. (2) To avoid this, people like Mill, also, talked of qualitative pleasure. But then the problem would be to find out the criteria as to what kind of pleasure would be better. If we take pure pleasure qua pleasure, it will be difficult to find out such criterion or criteria. The difficulty is that in our language we are continuously using the words in different senses. Thus we use the word pleasure in its abstract sense (When it cannot have plural), as also in its concrete sense (when it has a plural). When we use the word pleasure where it allows a plural number, we are not talking of pleasure as such but are talking of things which are pleasant. If we succeed in getting things which would result in our pleasure, it is not the pleasure—the abstract pleasure that we have obtained or for which we are striving, it is the object (which results in pleasure) for which we are striving. And, the object and its accompaniment pleasure (abstract pleasure) cannot be separated. The abstract notions are separable only when their substrata are different. But a characteristic and the substance or object which has this characteristic cannot be separated. They can only be distinguished. So it would be unreasonable to talk of the characteristic alone without any reference to the substratum or the end of which it is the characteristic. Moral philosophers of 20th century, even if they advocate pleasure as an end, do not advocate the abstract characteristic as an end.

It may be pointed out here that the word, satisfaction, which the economists are fond of, is a twin of pleasure. But while the word pleasure in its plural can be used properly and significantly in a moral theory the word satisfaction cannot be so used. We cannot say satisfactions⁵ just as we can say, pleasures. Again the concept of satisfaction will not allow degree of satisfaction. Similarly although economists talk of more or less units of satisfaction this also is, strictly speaking, absurd. A satisfaction calculus with additive properties cannot be so introduced. Further the dangers which are seen in the case of pleasure viz., pleasure

derived from any source would be of the same kind, would arise in the case of satisfaction also. Thus the greater amount of satisfaction of one man on this logic would be preferable to the lesser amount of satisfaction of many men. Once you talk of satisfaction as the only criterion for understanding moral or economic notions (and in *laissez-faire* economy and in utilitarian ethics this has happened) and once this principle is allowed, we have given licence to exploitation. Although we start with the principle, 'everyone to count for one and none for more than one', one becomes more important than the other and begets a right to exploit others. In its worst form it leads to egoism in ethics and imperialism and dictatorship in economics and politics. But the economists want to measure their concepts in terms of satisfaction. Their primary law is the law of utility and this is based on wants and their satisfaction. In this economics the concept of consumption naturally becomes primary and all other concepts become subservient to it. The economic theory as has come down to us exhibits all these traits. It is individualistic in nature, it is consumption based and is developed to work out finally the theory of capitalism and imperialism. Other instruments of economics like production, exchange, distribution or banking become secondary to this original theory of consumption, utility and consumer's surplus in terms of satisfaction. It means unrestricted freedom and competition for individual. One who survives this competition alone survives.

The economic theory based on needs has a different logic and it develops differently. It is indeed true that like wants needs also have a tendency to increase⁶ but the increase of needs is dependent on resources that are available. It is not primarily concerned with satisfaction although the word satisfaction may be used by the protagonist of the theory. I am not sure who used the word, need, first in this context. Perhaps Rousseau had this word in his mind but his English translators have used the word *want* instead. The word need finds its justification in the communist dictum—'Everyone to work according to one's capacity and to receive according to one's need'. The theory based on need is likely to be a matter of fact and would not be concerned with airy and flimsy notions like that of satisfaction. Man's needs certainly increase and what are luxuries and comforts today tend to become necessities tomorrow. In fact this is what is called increasing the standard of

living. It should be and is the object of social thinkers to increase the standard of living of all and remove the disparity between the workers and masters. When Marx wanted to remove the chains of the working class his aim was to strive for the increase of standard of living in the working class, that even if equality of standard was not attainable, equitability in the standard should be aimed at and worked out. Unfortunately the socialist and the Marxist thinkers were again and again confronted with the notions developed by laissez-faire and capitalist economy and they were also forced to use the language of the capitalist economy. I think Marx's use of the word 'Surplus value' is one such use. I believe, although a communist would not agree with me, that Marx used this expression because he was using the capitalist language for expressing his thought which was, of course, anti-capitalist.

In the economics of need there is no room for infinite needs. man does not have infinite needs and if they increase they increase only to a certain extent. Cave man was e. g., living in a cave. A modern man may construct a building. Both need a shelter. The modern shelter may have more conveniences. The hunter man was eating the hunted meat without cooking it, the modern man cooks it. The hunter and the savage were eating the fruit available to them. The modern man does agriculture. Man's needs increase no doubt. But they are dependent on resources available, i. e., they are dependent on production, unlike the theory of wants which is based on consumption. And production depends on actual resources and the labour. The economics based on needs, therefore, will not lead to capitalism and imperialism. Man's initiative need not here be used for exploiting others (although the exploitation is not ruled out).

At this point let me say something about the dual nature of man. He is an individual as well as a man in society. His society may increase or decrease but his social dimension cannot be ignored. His rationality, morality and possibility to live are, to my mind, some aspects of his sociality, on the contrary his happiness emotionality and taste, belong to his individuality. His rights are the manifestation of his individuality. His duties and obligations which to my mind arise through the primitive feeling of owing, belong to his sociality. When a person does something which is based on and is for his sociality it cannot be

regarded as exploitation. But when one uses the instruments which belong to his individuality, in social sphere the inevitable result is exploitation. Sometimes individuality and sociality may be grouped together but the mere contact of these two eliminates sociality and the individuality that remains may be used to rob others of their freedom in all its forms. I may point out here that the word exploitation is also used in two senses. When we use it in the context of resources it merely means use. When we use it in the context of man such that if it is used to one's own advantage it is exploitation proper. In the history of man we find that exploitation of this second kind is a dominant factor and if the welfare of all human beings is to be kept in mind then this feature which cannot be completely ignored has to be kept in control. The economics of wants does not control it, and with the introduction of money, although the economists talk of satisfaction alone, the satisfaction is either equated or is integrated with such notions as profit, interest, dividend, rent etc.

When we talk of man we should talk of one universal man as belonging to one human race. That will be the ideal. But unfortunately on account of geographical, political, racial divisions and on account of the individual or socio-individual factors man is divided into several groups and as a matter of fact one group or individuals in the group may try to dominate over the others. In the groups themselves there may be fractions which may dominate over the others. In fact, it is this tendency which leads sometimes to what is known as leadership. However, in the interests of the welfare of man (and this is equally true whether we are talking of the whole human race or a particular human society) the gap which arises on account of the domination of individual factors over the social, should minimize. The ideal situation would be that there should not be any exploitation. The other possibility is that one man exploits everyone else. We will have to find out the mean between the two where neither the individual factors nor the social factors suffer. The first thing will be to satisfy the needs of all; only when there are still some resources left we can think of comforts and luxuries. Need is a social element because it is common to all men. It has to be given preference over wants. If there is plenty then certainly wants which are of course due to individual choice could be tolerated and even encouraged. The problem of

human kind is that there is not such a plenty of resources such that each one can take whatever he wants from the 'ocean of nector'. As a matter of fact it will be interesting to note that even hedonism has got individual as well as social sphere. In its individual sphere it pleads for pleasure but in its social aspect it talks of good and maximum happiness of the maximum number. The Hedonist did it in this way because although there are individual and social factors the utilitarian philosopher was governed by the logic of imperialism. If individuality and sociality are detached from the imperialistic logic although it may not be possible to distribute them according to man's desires and wants, it will be possible to work out the resources that are available to man and distribute them amongst mankind present and future.

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NOTES

1. Of course, it is possible to say 'I need rice' and 'I want food', and it may also be admitted that in our actual use we go on using the words need and want indiscriminately.

2. When I use the word want, as in Ram, Krishna or Hari wants X, I am in fact, using the word, want, as if it was synonymous with need. On the contrary when I talk of wants which are subjective and dependent on the freedom of the man (which also makes them infinite) it would not be possible for me to determine *wants* in such an objective manner.

3. It will be interesting to point out here that communists regard the state as an instrument of coercion of a certain class.

4. The logic of needs is different.

5. Pleasures mean things which produce pleasure; *satisfactions* do not mean things which produce satisfaction.

6. When for example we go from bare needs to comforts. It may, however, be noted that we have already, started using the word, need, in a different way.