

Responsibility in a Changing Society

By Bob Goudzwaard

It is one thing to theorize about lofty ideas such as responsibility and stewardship, but what is their practical value in a society with rising unemployment and an unconquerable inflation? In the face of these staggering problems, why worry about selective growth and environmental control? Phrases such as "responsibility to God and neighbour" are beautiful, but they obviously don't fit our situation. After all, if we wish to curb inflation, chances are ten to one that we will increase unemployment; whereas, combating unemployment (by lowering taxes or increasing spending on public works, for example) only fuels the flames of inflation.

Moreover, such measures accelerate the rate of economic growth. Yet our deteriorating environment and our dwindling supplies of energy and resources make it clear that we must put the brakes on economic growth. Are we then forced to accept a high rate of unemployment in order to protect the environment and conserve resources?

It certainly appears that our economic policy confronts us with a number of unsolvable dilemmas. Whatever we do, we always run stuck. This is an discouraging experience for people who know that very technical and practical problems are closely related to principal starting points and therefore cannot be separated from our calling and responsibility. Yet the moment we are back in the harsh reality of life, the only possibility seems to be that we throw our fine principles overboard.

In the face of this tension, I would like to ask whether our approach itself is not a roadblock. Isn't the manner in which we analyze and tackle such problems as unemployment, inflation, energy scarcity and environmental control—at least partially—the cause of the dilemmas? In other words, I would like to turn the question around. The question was: what can we do with principles and ideas such as human responsibility in the midst of a reality full of unsolvable dilemmas? My question is: didn't the dilemmas in our reality come about because we tried to

separate the problems as much as possible from our human responsibility?

After all, in what manner do we usually analyze and combat such evils as unemployment and inflation? We use a mechanical systems analysis. We tend to look on the whole economic life as a closed system of economic entities—prices, incomes, investments, interests, wages, employment opportunities and so on—which relate to each other as the gears and axles of a machine. Together they form one mechanical system and, consequently, must be treated as such. This means that the moment something goes wrong or the machine no longer runs smoothly, our first thought is to take technical countermeasures. Whenever a machine does not function properly, our immediate reaction is to turn certain knobs, pull some levers, or apply lubrication.

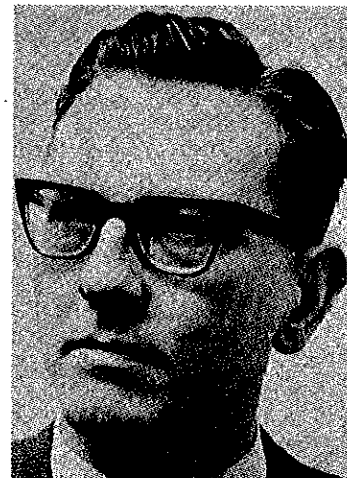
Something similar happens when we encounter such problems as sharply rising unemployment and severe inflation. Immediately and almost automatically, we pull such handles as the public works lever or the tax lever and we make sure that we have the interest-rate lubricant close at hand. We aren't particularly interested in asking whether or not the defect resulted from our own failure to meet our responsibility. This question seems irrelevant to solving the problem. For instance, we look upon inflation primarily as a technical defect in the existing money mechanism which can probably be fixed by clever engineers of the economy. It seldom occurs to us that inflation is something clearly related to human guilt or egotism.

In a mechanical approach to socioeconomic problems, the dimension of human responsibility is almost automatically pushed to the background. And, let's face it, this usually suits us well, for it avoids troublesome questions and the need for self-criticism. Now, however, one of the burning questions facing us is whether our easy mechanical remedies for our economic woes have not contributed to the spread of a disease for which hardly a

cure can be found.

An economic crisis can seldom be separated from a crisis in the prevailing worldview. Therefore, we should not be surprised to find our view of economics as an innocent, neutral and mechanical system shaking on its foundations. The problem is all the more pressing today when we experience not just a socioeconomic problem, but a combination of problems. Certainly something is radically wrong when we are confronted with severe inflation and with unemployment together and when we are powerless to control growth and prevent ecological disaster.

On the other hand we must not conclude that all socioeconomic dilemmas will suddenly disappear and a magic, ready-made solution for the problems of inflation, unemployment and economic growth will emerge as soon as we drop our mechanistic approach and begin with the idea of human responsibility. Such illusions would inevitably lead to bitter disappointments. However, I will try to provide a basis from which we can penetrate our current problems and will try to show how these problems relate to our social responsibilities.



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I will begin with the presupposition that the way in which people, groups, organizations and enterprises exercise (or fail to exercise) their responsibilities is closely connected with the **horizon of their happiness**. By horizon of happiness I mean the manner and context in which human beings, as well as their institutions consider the pursuit of happiness possible, both for themselves and for others. If human beings differ with respect to their **happiness horizon**, their behaviour will differ as well. I will immediately add a comment about the prevailing happiness horizon in western society: it is strongly determined by utility considerations.

Economists speak of utilities and disutilities, of positive and negative utility factors, frequently presupposing that each person and every organization strives to obtain as many utilities as possible and to create a maximum surplus of utilities over disutilities.

Our personal profit (utility) is therefore greatest when we are able to collect as many goods as possible with as little painful effort as possible, for only then do we come closest to our happiness ideal.* At this point I would like to raise these questions. If it is indeed the happiness horizon that determines the activities of people and groups in our society, what can we expect this society to look like? What kind of society emerges from this mentality and from this idea of responsibility?

I don't think it is difficult to find an answer to these questions. If all of us, personally or as groups or organizations, consistently strive to maximize our utilities, then we automatically seek to create a society which sees to it that everyone is saturated with the largest possible quantity of consumption goods (those, after all, are utilities) and the least possible work effort (for labour is a disutility). Such a society must gear its production system to a maximum output per worker. The more goods we produce with the least possible effort, the greater will be our combined utility and the more utilities we will be able to collect for ourselves. Such a happiness horizon pre-determines our effort to increasingly automate our production processes, for automation allows us to produce more utilities without increasing our effort. Within the enterprise, then, we will concentrate on developing labour-saving methods and devices, even though the remaining work becomes more monotonous and inhuman.

In such a society it is quite acceptable for corporations to eliminate labour, providing they continue to produce. This is the inevitable course and outcome of a society which considers consumption goods as mere utilities and work as just a disutility. Within this happiness horizon

and in the resulting economic order, we find a key to the societal problems and dilemmas now facing us.

Purposely I said "a" key and not "the" key, for there are other aspects to the problem. However, it is a key and an important one. This becomes evident when we take the trouble to look again at the three most important issues mentioned earlier.

Inflation. Inflation shows itself in steadily rising prices. Internally, inflation is caused by our great demand for goods already produced and still to be produced. Why do we make these demands? The answer is self-evident in a society that places such a high value on a steadily rising income as a means to obtain consumption goods, which are considered keys toward happiness. This happiness horizon inevitably leads to inflation, or putting it differently, inflation is a reflection of our obsession with happiness.

Unemployment. Our present unemployment has a structural character, resulting from a systematic elimination of labour in production processes. These production processes themselves are steadily becoming more capital-intensive and less labor-intensive. Again, it is not difficult to discover the connection with the western happiness horizon. Gradually we have increased the cost of our labour (also monotony has made work itself more and more a disutility) to such an extent that an extra amount of capital yields a greater net profit than an extra amount of labour. From a utility viewpoint, the elimination of labour becomes the natural thing to do. Capital does a better job than labour and even protects us from quite a few disutilities, i.e., work efforts.

Growth and Environmental problems. We can also discern a close relationship between our western happiness horizon and the problems of growth and environmental pollution. A happiness horizon that considers labour a negative utility factor and the possession of goods a positive utility factor creates the irresistible urge for increasing economic expansion, even though this causes great damage to our environment. After all, our utilities (more goods and more leisure time) depend on growth. The urge for economic expansion does not necessarily result from banal materialism. Frequently it emanates from a desire to be recognized and to become emancipated in a society whose primary values are money and material prosperity.

The way in which we have collectively adopted this happiness horizon is one major cause of the combination of problems now facing us, i.e., structural unemployment, persistent inflation, a dwindling supply of resources and severe environmental damage. I must also conclude that easy and painless solutions are simply

not available, not only because people and their ideals cannot easily be changed, but also because we are dealing with an economic order that is itself geared toward a happiness horizon. Naturally, we cannot change this order overnight. An economic order is like a fly-wheel; it keeps spinning under the force of its own momentum. As a result, any attempts toward austerity and less growth will initially produce more unemployment. Our economic order is not ready for such changes. But this is no reason for us to leave things just as they are.

A diagnosis needs a therapy. I started by asking about the meaning of responsibility in a time which confronts us with difficult and almost unsolvable problems, such as severe inflation and a high rate of unemployment. This places us squarely before the question of how we experience our own responsibility amidst these practical problems. What is our happiness horizon? Obviously, much depends on the answer to this question. Is human happiness indeed a kind of calculation in which work effort is a negative factor and the possession of goods is a positive one?

From a biblical perspective we all know better. When the Gospel speaks about man as a worker, it proclaims that man has the privilege of resembling his Father, who by the work of his hands created the world. And when the Gospel speaks about the possession of goods, it frequently warns us that we can easily fool ourselves by our desire to become rich. To put it differently, the happiness horizon we find in the Bible implies that work ought to be a **positive** factor in happiness and that in many cases the possession of many goods and riches is a **negative** factor in happiness.

Each happiness horizon has its own practical consequences, and this also applies to a Christian labour organization and its members. There is nothing ugly or undignified in the attempts of a labour movement to seek a greater happiness for its members. On the contrary, that is one of its primary tasks, and we must strongly protest against those who denigrate this task. Yet, we must ask ourselves the critical question: **On what does our happiness in this prosperous society depend most?**

From this biblical perspective it is clear that, in the first place, the labour movement must strive for workers' maximum participation and coresponsibility and must oppose all factors which tend to make work a disutility (e.g. monotonous and meaningless work). In the second place, it is also clear that they must abandon their unrelenting drive for perpetually increasing incomes. I say this because of

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the social consequences of these two directions. The heavy emphasis on a steadily rising income level is but a confirmation of the prevailing western horizon of happiness. As a result, we witness more and more inflation, further replacement of expensive labour by capital and a stimulation of indiscriminate growth. Such growth becomes inevitable since, in a process of ongoing automation, we must create employment for a growing workforce. If, on the other hand, we intensify our struggle against inhuman work situations (both in the nature of work itself and in the matter of codetermination), then the economic consequences of our choice will also be different.

I will mention one way in which this can be realized.** It might well be possible to deposit part of future wage increases into funds administered locally by the employees and/or the labour movement. Such funds could be used to gradually introduce more humane work methods and production techniques which require less automation. In the long run, such a fund would help create a barrier against structural unemployment and, at the same time, suppress the rate of inflation. For, as I said earlier, modern work methods are at least part of the cause of inflation because they yield so little work satisfaction which, in turn, stimulates ever higher wage demands. Granting workers the opportunity to use such funds to introduce more humane work methods and production techniques could contribute to opening up the enterprise in a stewardly direction and could lead all of us into greater social responsibility.

I have suggested only one possible step to help us in conquering our problems. I am convinced there are more, provided that we always make a genuinely Christian choice is promoting a concept of happiness for ourselves and for others. If we don't use that criterion, we will inevitably fail at one of the most crucial junctures. For only in this manner can we get a hold on the fly-wheel of our economic order, an order which is considered to function well, when in reality it is in the process of destroying itself.

*This formulation of the problem I have learned from Dr. A. B. Cramp, professor of economics at Cambridge University, England.

**This possibility was suggested to me by Gerald Vandezande, executive director of the Committee for Justice and Liberty in Toronto, Canada.

ON STRIKE:

SIX KEY LABOUR STRUGGLES IN CANADA 1919-1949

Edited by Irving Abella
James Lewis and Samuel, Publishers
Toronto, 196 pp. \$12.00—hardcover;
\$4.95—paperback

Reviewed by Harry Antonides

The Canadian labour movement was born amidst hardship and even bloodshed, often accompanied by governmental bungling on a grand scale. But much of this history remains unknown because of what professor Stuart Jamieson has called a "conspiracy of silence." The purpose of *On Strike* is to help fill the vacuum created by that "conspiracy."

Irving Abella, the editor of this collection, teaches history at Glendon College, York University. He is the author of *Nationalism, Communism and Canadian Labour* (reviewed in *The Guide*, December, 1973).

The period of 1919-1949 was a time of turmoil and crisis for Canadian labour. It included two post-war recoveries, the great crash, the depression and World War II. The events described here begin with the traumatic Winnipeg General Strike in the early summer of 1919 and conclude with the equally significant and in some ways even more violent, Asbestos strike in 1949. In between are chapters on the 1931 miners' strike at Estevan, Saskatchewan, the furniture and packinghouse workers' strike in Stratford in 1933, the Oshawa strike of the G.M. workers in 1937 and the automobile workers' strike at the Ford plant in Windsor in the fall of 1945. Some of these strikes ended in disaster and in defeat for the workers; others were marked by important breakthroughs. All of them in one way or another are depicted as historic events that helped the Canadian labour movement on its march to a position of power and influence.

BLOODSHED IN WESTERN CANADA

The six-week general strike that brought much of Winnipeg to a standstill—even the supply of essential serv-

ices and food for a few days—erupted in a climate of hostility fuelled by unemployment, low wages and rising prices against the backdrop of a sharp cleavage between the rich and the poor. David Bercuson of the University of Calgary describes how a number of strikes among the iron workers, the construction workers and civic employees in 1917 and 1918 set the stage for the 1919 strike. The Winnipeg strike must also be seen within the context of the conflict between the Eastern and Western labour movements. The Western unions were especially angered over the Trades and Labour Congress' support of the war efforts and its unwillingness to organize on an industrial (rather than craft) basis. Winnipeg and Vancouver became the focal points of this discontent and of a more radical kind of trade unionism.

The occasion for the general strike was the refusal by the owners of the metal craft shops to recognize a council of unions. This coincided with a number of other strikes, and on May 15, the general strike began with nearly full cooperation of all unions including telephone and electric power workers. Before the strike was called off six weeks later, a wave of hysteria gripped the country, and soldiers and "special police" patrolled the streets of Winnipeg. Violence flared up on "Bloody Saturday," June 21, which resulted in one dead and many wounded. The strike was broken, especially after the strike leaders, including J. S. Woodsworth, were imprisoned.

The Authorities and employers charged that this strike was part of a Communist-inspired revolution, but there appears to be no truth to their claim at all. Rather, it was the outcome of the workers' legitimate grievances be-