THE CULTURAL AND AESTHETIC ROOTS OF THE JOYLESS ECONOMY

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Tibor Scitovsky's The Joyless Economy (1976) is now regarded as a landmark publication in the combined fields of economics and psychology, with standard accounts of Scitovsky's ideas emphasizing the influence of 1960s motivational psychology literature. While this encounter is all-important, Scitovsky's ideas must at the same time be read in the context of the evolution of his critique of twentieth-century mass society. The present paper presents that critique and demonstrates its fundamental importance for Scitovsky's diagnosis of an economy he termed "joyless." Drawing upon his "Memoirs," we show how Scitovsky's ideas were initially shaped by the culture/aesthetics of his early years in Budapest, followed by his experiences of rising totalitarianism in interwar Europe, and further affected by his move to the consumption society of postwar America. The way he engaged with the writings of influential contemporary cultural commentators, including André Gide, Erich Fromm, Bertrand de Jouvenel, Lewis Mumford, and Bernard Rudofsky, was incisive. Close scrutiny also reveals resonances between Scitovsky's cultural concerns and those of some of the Bloomsbury Group.

I. INTRODUCTION

Over the course of the twentieth century, prominent social critics of all political leanings gave dire warnings about a Western civilization they saw as disintegrating before their eyes: too-rapid technological progress accompanied by financial disaster, totalitarianism, and war. Some sought the causes back in the Industrial Revolution and doubted whether mankind could ever survive its effects (Polanyi 1947). Others lamented the loss of cultural diversity and noted the emergence of a dangerous homogeneity that was offsetting the liberties produced by technological progress (Aron 1968). Erich Fromm

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warned of a totally mechanized, computer-controlled society, so absorbed in production/consumption processes that it annihilated individual consciousness: "in this social process, man himself is being transformed into a part of the total machine, well-fed and entertained, yet passive, unalive, and with little feeling" (1968, p. 1). Others were more proactive, calling on the individual to react (Mumford 1951) or resorting to democratic planning to tackle the dangers of dictatorship, conformity, and barbarism (Mannheim 1940).

Similar concerns are reflected in Tibor Scitovsky's monograph *The Joyless Economy* (1976), where he affirms that technological progress and a promotion of economic growth do not automatically lead to greater well-being. While acknowledging the role of output in alleviating poverty, he also sees it as the cause of the mounting boredom, dissatisfaction, and alienation afflicting modern society. For him, the accelerated pace of life under modern technology denies people meaningful experiences and the mass-production system encourages excessive conformity of both product and thought: "modern technology creates great possibilities, but it also pushes us toward standardization and uniformity, both of which inhibit our ability to exploit the possibilities it creates" (1976 p. 11).

The standard literature on Scitovsky focuses on his relationship with behavioral economics and happiness studies (Angner and Loewenstein 2012; Bianchi 2016, 2018; Pugno 2016). Associations between his personal and professional lives were first signaled by Peter Earl (1992), who, in his article dedicated to the life and work of Tibor Scitovsky, suggested that his personal background was significant in his approach to economics. This insight is further echoed in Marina Bianchi (2012, 2018), who drew on Scitovsky's "Memoirs" (undated typescript, circa 1995) to detail connections between his private and professional lives, and emphasize episodes impacting on the evolution of his economic thought.² The contribution of this paper is to further discourse on *The* Joyless Economy by examining in greater detail historical events, cultural influences, personal experiences, and influential readings that all contributed in greater or lesser degree to Scitovsky's understanding of economic behavior. While Bianchi (2012) judges Scitovsky's final position to be the result of deep changes, the present paper differs, in that it holds that *The Joyless Economy* is the final stage of a lifelong process of observation and investigation. In section II, we pay particular attention to his "Memoirs" (c. 1995), unpublished in English, which provide a treasure trove of recollections, circumstances, and events. In section III, we follow him to North America and see how he faced the world's biggest economy, turning to the writings of twentieth-century cultural commentators and radical historians of architecture in order to comment on its drawbacks. What emerges is that *The Joyless Economy* is the mature result of observations and investigations going over a lifetime. A short conclusion follows these sections.

¹ Earl's suggestion was derived via Scitovsky's 1992—then "forthcoming"—"life philosophy" memoir (Scitovsky 1992). Scitovsky subsequently went on to write a more extensive memoir that comprehensively reinforces that suggestion, showing how his early years fed into his later engagement with aesthetics, politics, and economics.

² See Scitovsky's "A Joyful Economist: Memoirs of Tibor Scitovsky," undated typescript, circa 1995, p. 114a, Tibor Scitovsky Papers, Box 2, Rare Book, Manuscript, and Special Collections Library, Duke University. Hereafter, "Memoirs."

II. FORMATIVE YEARS

A Privileged Youth

Scitovsky's richly detailed "Memoirs" bring to life his experiences in Europe, allowing to emerge what will later become his overriding themes of boredom, novelty, and variety. The early background is Hungary post-WWI, which had been catapulted back into a feudal cast. Not only had the country been devastated and demolished, but counter-revolutionary governments had reinstated the old landed aristocracy with its pre-industrial mindset. The apathy of the ruling class appears in the first pages, which Scitovsky illustrates in some minor childhood episodes. In the narration of events, which constantly touches on an aesthetic dimension, there are loving recalls of privileged summers spent on the family estate near Nőtincs, where the family domain was a microcosm of the nation itself.

Although only thirty miles from Budapest, the village was completely cut off from twentieth-century civilization—no railway station, no post office, not even a general store. Just outside the village, the "de Scitovszky Castle" was less exotic than its name.³ As Scitovsky recalled, the main hall "always had its door locked, windows shuttered and the furniture covered with sheets to keep the dust off, because it never was used—presumably because important guests never arrived" ("Memoirs," c. 1995, pp. 6–7). For the overprotected child that Scitovsky was, the summers there were a paradise, where he could let off steam running wild in the countryside. For his parents and elders, on the contrary, deprived of their habitual pastimes, the idleness spelled existential boredom. In Scitovsky's Chekhovian terms:

I have no recollection of ever seeing anyone reading a book; and there was no tennis court, not much riding, no shooting, no hunting, no outgoing, no walking even beyond the garden and the church of the small village adjoining the garden, because there was nowhere to go, no town, no water, not even a clump of trees anywhere nearby because in that part of Hungary every bit of land was cultivated, leaving few trees standing other than the ubiquitous mulberries bordering the dusty roads.... Every time I see a Chekhov play, it makes me think of those hot summer days, because it depicts that same atmosphere of lazy boredom where people are too bored to enjoy their laziness and too lazy to rouse themselves to do something enjoyable. ("Memoirs," c. 1995, p. 10a)

These drowsy summers contrast with the hectic days in the family's sumptuous townhouse. Custom-built in picturesque Buda, the villa was finished by the time Scitovsky's father was appointed minister of foreign affairs.⁴ The father, along with Count István Bethlen, Hungary's prime minister (1921 to 1931), was a strong advocate of the classical liberal ideas typical of the pre-war period. Postwar events, however, convinced them to fear that their country was not yet ready for life with those ideas. In

³ This was Scitovsky's original family name. He changed it to "de Scitovsky" at the London School of Economics and further removed the patronimic "de" shortly after he emigrated to the United States.

⁴ Scitovsky's father was an important diplomat and banker. Under General Horthy's regime he was nominated the economic expert of the Hungarian delegation sent to Paris to sign the Trianon Treaty (1920). In 1922 he was elected permanent delegate to the League of Nations; in 1924 he was appointed minister of foreign affairs and later president and chief executive officer of the General Credit Bank, one of the biggest State banks.

particular, they feared it could well give rise to dictatorship, and they advocated the ideal of a "conservative democracy" (Kontler 2002, p. 346) to mitigate, they hoped, the disruptive forces of the uncultivated masses.⁵

The Scitovsky townhouse was a stronghold of pre-capitalist mores with a faux eighteenth-century Austrian-French baroque façade, as if to counter the loss of lands caused by the 1920 Trianon Treaty. All disposable income was invested in furniture, paintings, and other *objets d'art*. Although responsible for the finances of a modern state, Tibor de Scitovszky Sr. spent his own money as if there were no tomorrow. "How come that out of our high income that we never save a penny?" ("Memoirs," c. 1995, p. 22a) he would mildly ask his wife. The parents' passion for art and architecture was passed on to the young boy, who recalled being "dragged along to innumerable antique shops, picture galleries, and museums of decorative arts in Paris, Münich, Nürnberg, Dresden etc., I was bored at first but then became interested and quite knowledgeable about French and other European artistic styles; and I retained an interest in antique furniture and interior decoration to this day" ("Memoirs," c. 1995, p. 23a).

The couple moved in influential circles, both politically and culturally. Throughout the 1920s and 1930s, their home was the scene of glittering parties and gala dinners attended by statesmen, diplomats, and businessmen, including Salvador de Madariaga, the influential Spanish ambassador to the USA, and Cardinal Pacelli (later Pius XII). When the villa was chosen to host the first meeting of the Budapest PEN club in 1926, the company included some of the key participants of the debate on twentieth-century modernity, such as Paul Valéry, Thomas Mann, and John Galsworthy. These intellectuals shared the widespread concern about the future of European civilization, the devastating effects of technological progress, and the rise of mass democracy. They also feared that such developments would destroy the classical culture of values, which they felt ensured the continuity of European civilization.

These fears continued to be discussed and rediscussed by the eminent guests at the Scitovsky villa. As early as the Paris Peace Conference proceedings, for example, Valéry ([1919] 1977) had viewed the postwar panorama in terms of a Shakespearean tragedy, seeing the world conflict as confirming the destruction of European civilization, triggered by previous technological change. He felt technical change was acceptable only when backed by strong values, and so safeguarding European culture was a matter of vital importance. De Madariaga noted the Communist and Fascist successes in exploiting myths and narratives to attract the masses, and speculated about the possibility of adopting them in order to facilitate communication with the populace. A more resigned and disillusioned Mann ([1935] 1969) pointed out that educated people had already been largely seduced by irrational theories.

At the time a mere adolescent, Scitovsky found himself a witness of these political and cultural debates, which evidently sharpened his cultural and social awareness. He was better prepared than most of his age to listen to the erudite level of drawing-room conversation, given his typically aristocratic and humanistic education imparted by a

⁵ See Cartledge (2011, p. 338).

⁶ More regular meetings concerning the future of European civilization took place from 1922 onwards, with the creation of the Organization for Intellectual Cooperation as a section of the League of Nations. Valéry himself was asked to organize a series of international conferences (*entretiens*) to study the problem.

⁷ See van Heerikhuizen (2015).

bevy of solicitous private tutors. He was also well aware of the political tensions and social revolutions disturbing the European landscape, as a trusted source of knowledge was the family chauffeur, who enlivened afternoons with rousing tales of Hungarian socialism and sowed the first seeds of an interest in Communism as an alternative political system and a way of redressing injustice: "I owe to him my knowledge of things mechanical, love for exercising my manual dexterity on home repairs and, since he was a socialist, also my acquaintance with socialism and first introduction to economics through reading the first volume of Marx's *Das Kapital*" (Scitovsky [1991] 1995, p. 223).

When Scitovsky came of age, he enrolled in the Budapest law faculty. He was soon disillusioned, however, by the lecturers merely churning out the contents of their textbooks and his fellow students' constant Jew-baiting. He managed to obtain permission to study abroad, arriving in Cambridge in October 1929.

From Cambridge to London

Cambridge in the late 1920s was the site of a cultural and intellectual debate that quite often had its origins outside academia. Flourishing circles and student associations brought together philosophers and mathematicians, economists and poets, devoted to treating, often in an irreverent and assertive way, topics that were bound to contravene conventional wisdom and agitate general opinion. Particularly critical of the lingering Victorian morals was the Bloomsbury Group, which regarded the enjoyment of personal intercourse, contemplation of beautiful objects (Moore [1903] 1993, sec. 113) and the love of knowledge for its own sake (Keynes 1905) as the main components of the "good life." For Clive Bell (1914), it was the quasi-ecstatic emotion aroused by the contemplation of art for its own sake. For Bertrand Russell, it was zest for life, in moderation, not pushed to the extreme, that paved the way to his *The Conquest of Happiness* (1930).

At Cambridge, Scitovsky was able to indulge in an intellectual curiosity long repressed in his conservative upbringing, solicited more by college life than the formal lectures. As he recalled, "[M]y fellow students' enthusiasm for English and German literature and avid hunger for learning just about every aspect and field of intellectual life were contagious" (Colander and Landreth 1997, p. 205). In order to improve his English, he immersed himself in the rich tradition of the English novel, from the picaresque versions of Henry Fielding through to the modernism of Virginia Woolf. Only later, in the second term, did he turn to economics, which by his own admission he regarded as a mere hobby. Another kind of Cambridge experience was coming up, further contact with the kind of polarizations that would devastate twentieth-century political life: he came into contact with supporters of both National Socialism⁸ and the communist alternative.⁹

Scitovsky would have happily remained at Cambridge forever. However, in the spring of 1931, he reluctantly headed back to Budapest, as his passport could be renewed

⁸ Noting Scitovsky's extreme shyness, his Trinity tutor, the historian James Ramsay Montagu Butler, introduced him to a fellow tutee, Hans Otto Meissner, son of the head of Hindenburg's chancellery, later nominated minister by Hitler. As Scitovsky recalls, he taught Meissner how to drive and how to fence. In exchange, Meissner introduced him to National Socialism ("Memoirs," c. 1995, p. 37).

⁹ At Trinity Scitovsky befriended Kim Philby, who, not long afterwards, became a Russian spy and member of the Cambridge Five.

only if he did national service, in his case in the horse-drawn artillery. Duty done, he resumed the life of a golden boy, obediently returning to his law books and graduating in 1933. That autumn, his father sent him off to Paris to improve his French, most probably envisaging a career for him in international diplomacy.

After the modernization catalyzed by the Great War and the exuberant 1920s, Paris offered an interesting blend of tradition and novelty. The theaters, open-air parties, nightlife, and universal exhibitions all attracted tourists, students, and intellectuals from near and far. And then there was Hitler's rise to power in March 1933, which made the French metropolis a melting pot of emigrants, filmmakers, journalists, and cultural critics, including Siegfried Kracauer and Walter Benjamin.

Both products of the Frankfurt School of thought, Kracauer and Benjamin shared an understanding of art as the superstructure and by-product of the economic system in Marxist terms. They both found Paris a congenial setting for pursuing their investigations, i.e., the analysis of reality through the aesthetic qualities of things, whether art, architecture, cinema, fashion, or design. In *From Caligari to Hitler* (1947), for example, Kracauer showed that 1930s totalitarianism was prefigured in the films of the previous decade. Benjamin saw Paris city planning as the primal phenomenon that underlay the consumption society. It was in the arcades and galleries of the city, archetypes of the department stores, that he glimpsed an aspect of the "tragedy of modernity": namely, the impoverishing transition from *Erfahrung* into *Erlebnis* (i.e., a long, meaningful experience into an isolated, instantaneous one). ¹⁰

Interestingly, Scitovsky was not seduced by Benjamin's "phantasmagorias of the marketplace" (Benjamin [1940] 1999, p. 14). His understanding of art appeared to be closer to Bloomsbury than to Frankfurt, namely, as a means of pure delight, free from social, political, and economic aspects. At this point, determined to continue his studies in economics, he attended a few lectures at Sciences Po, but was soon discouraged by the approach. An alternative was to enroll at l'Alliance Française, which specialized in preparing foreigners to teach French abroad. Here, in the European capital of the modernist movement, Scitovsky fell back into the role of typical *fin de siècle* "gentleman of leisure" (Benjamin [1939] 2006, p. 188), and set out to stroll around the city and enjoy its attractions, just as Baudelaire had exemplified. "[M]y main occupations were reading; browsing among the books of the innumerable Paris bookshops, the second-hand book dealers along the Seine and a left-wing bookshop that provided comfortable chairs for browsers; attending the Comédie Française and the then famous experimental theatre of the Pitöeffs in the rue du Vieux Colombier; and, most of all, walking" (Scitovsky, "Memoirs," c. 1995, p. 46).

However, Paris was not only romantic and modern but also turbulent. The Third Republic was experiencing years of political upheaval, with a rapid alternation of leftand right-wing governments. When the effects of the Depression began to hit hard with

¹⁰ As Benjamin claimed in "On Some Motifs of Baudelaire" ([1939] 2006, p. 178), "the greater the shock factor in particular impressions, the more vigilant consciousness has to be alert in screening stimuli; the more efficiently it does so, the less these impressions enter long experience [*Erfahrung*] and the more they correspond to the concept of isolated experience [*Erlebnis*]." In order to make a *Erfahrung* experience—from *fahren*, to travel, recalling all that one can learn in the course of a life of travels, as happens to Baudelaire's *flâneur*—Benjamin observed, it is necessary to fall into a state of relaxation typically produced by boredom, in the sense of *otium*. See Salzani (2009).

large-scale unemployment, the protests degenerated into extreme violence. Scitovsky observed from close at hand the frightening Stavisky Affair riots, which awoke his particular interest in mass psychology (Memoirs," c. 1995, pp. 48–49). ¹¹ It led him to read Gustave Le Bon's *The Crowd: A Study of the Popular Mind* ([1895] 1896), the famous essay in which Le Bon describes how mass psychological mechanisms can make instinct and emotion prevail over reason in otherwise rational individuals. ¹²

Scitovsky's Paris sojourn ended some months after these disturbing events. But, back in Budapest, he soon realized that the life of the banker was not for him. This, combined with a certain embarrassment he felt in belonging to a social class rapidly falling under the spell of Fascism, convinced him to leave for good. He would have loved to return to Cambridge, but, as the exchange controls were tight, he had to opt for the more affordable London School of Economics (LSE).

Enrolled almost unenthusiastically, Scitovsky found himself by chance at the epicenter of some of the most animated debates in economics of the first part of the century. Scitovsky's attitude toward the lectures was ambivalent: he admired "the elegant logic of the perfectly competitive model's self-equilibrating mechanism" but was "equally disturbed by its unreality and apparent uselessness" ("Memoirs," c. 1995, p. 54). On the one hand, he saw an economic theory that celebrated its own achievements but overlooked any shortcomings. On the other, there was Karl Marx focusing on the exploitation of the working class, yet neglecting the aspects of economics that actually worked. Scitovsky found a suitable compromise between these views when John Maynard Keynes's *General Theory* (1936) appeared. Its reception was such that "Lionel Robbins's great seminar" on Monday afternoon became a theater of fiery debate between the Keynesians and their faculty adversaries.

Robbins's seminar was a crucial stage not only in the development of Scitovsky's economic thought but also in the evolution of his political views. Among its most vocal participants, Scitovsky recalls Nicholas Kaldor and Abba Lerner. Conversations with occasional participants such as Richard Löewenthal and Franz Borkenau¹³—along with compelling reading such as the Moscow trials and, especially, André Gide's *Return from the U.S.S.R.* ([1936] 1937)—effectively put paid to any possible belief Scitovsky might have ever entertained in Communism.¹⁴

¹¹ On the Stavisky Affair, see Kalman and Kennedy (2014, pp. 25–47).

¹² Le Bon's work was a milestone in the field of the psychology of the unconscious. His writings were studied also by various economists and politicians who sought to understand the tyrannical power of the masses. Joseph Schumpeter attributes to Le Bon the merit of having opened his eyes to the importance of the extra-rational and irrational elements in human behavior. Thanks to their reading of *The Crowd*, Lenin, Mussolini, Hitler, and Stalin managed to win over the trust of the parliaments they were about to destroy.

¹³ Scitovsky met Borkenau while the latter was writing *The Spanish Cockpit* (1937), "a classic of the period" ("Memoirs," c. 1995, p. 56, and the interview with N. Shehadi, 1983, LSE Library's archives; ref. LSE/LSE History Project, Box. 12). 'Shehadi Oral History'. LSE Archives and Special Collections, LSE Library. https://archives.lse.ac.uk/Record.aspx?src=CalmView.Catalog&id=SHEHADI&pos=2.

¹⁴ A committed Marxist, Borkenau went to Spain in 1936 in order to observe the effects of the Civil War, and returned as disillusioned as Orwell about the actions of the Spanish Communist Party. They had seen the Party expropriating public and private buildings for the centralization of power as well as the anarchists, with their libertarian ideal of spontaneous order, murdering priests and landlords in order to reallocate land to the farmers. As in Scitovsky's Budapest during the Red and White terrors, summary executions were being carried out by both parties (Borkenau 1937, p. 71ff).

[Gide] was repelled by the extreme ugliness and shabbiness of all products, by people's complete lack of taste, the impersonality of their homes, by an exhibition of modern painting on which he would "not comment for charity's sake", and above all by frightening conformism of everybody he encountered, which he believed to be at the base of the cultural wilderness. ("Memoirs," c. 1995, p. 57a)¹⁵

Gide's bleak lucidity brought home to Scitovsky the social consequences of a proletarian dictatorship crushing any idea of variety and creativity and generating a conformity stifling individual development and well-being. When Scitovsky visited the 1937 Paris World Exhibition, he also saw a further aspect of art: how it could be manipulated to obtain the consensus of the masses.

Aesthetics and Politics on the Eve of WW II

The Paris '37 Expo laid the grounds for eloquent statements of political and commercial power. Guided by the mistaken belief that greater cultural relations between nations would diminish the probability of war, pacifist France had symbolically placed the German and Soviet pavilions opposite each other along the Rue de la paix, with the Eiffel Tower soaring up behind them. ¹⁶ In strong competition, the two buildings used all aesthetic means possible to communicate power and economic strength. Constructed with symmetry, simplicity, and a general lack of ornamentation, both buildings were erected on raised plinths with similar layouts and mighty, windowless walls. They looked very like military fortifications.

The German pavilion, designed by Albert Speer, was 177 feet high and topped by an intimidating sculpture of an eagle with the swastika. First and foremost, it was propaganda for Nazism. Inside, for example, paintings of highway intersections, steelworks, and synthetic fuel plants witnessed the successes of the German economy. Refined design was deployed to ennoble the most common products of Taylorist technology—from sports cars to children's toys. The Soviet Pavilion was a monolithic composition of architecture and sculpture the height of a six-floor building, intended to demonstrate the force of the USSR's ideology. Although supposedly representing the workers, the pavilion was made out of rare marble and contrasted sharply with all the others. Inside it was decorated with portraits of top leaders, some of whom were no longer in favor and consequently either imprisoned or executed. An enormous ego-tripping map of the Soviet State occupied an entire wall, with its capitals indicated by big ruby stars, petrol pipes by topaz bracelets, and the names of cities engraved in gold.

Standing amidst the crowd of tourists observing the two giant buildings, Scitovsky arrived at the same conclusions as Gide. No doubt that whatever the political orientation, all forms of totalitarianism follow the same rules of mass psychology.

I visited the German pavilion first, and all I remember after so many years is my revulsion at its bombastic architecture and tasteless contents and my feeling that it was very much as I expected it to be under Nazism. Then I proceeded to the Russian pavilion

¹⁵ The "Memoirs" (c. 1995) contain some lettered pages that appear to have been inserted subsequently by Scitovsky.

¹⁶ Fiss (2009, p. 54).

opposite and that gave me a shock, because the overall impression it created, the banality of the exhibits, without any redeeming features, was frighteningly similar to what had just repelled me in the German exhibition. ("Memoirs," c. 1995, pp. 57–57a)

In their attempts to merge a mythical past with technological future, both pavilions captured to perfection the principles of the Modern Style inspiring Machine-Age Civilization (Le Corbusier [1935] 1967): order, symmetry, simplicity of volume, standardization, mass production, efficiency.¹⁷

The following year, Scitovsky had the opportunity to view art and totalitarianism once again at the Degenerate Art Exhibition (1937 to 1939). Masterpieces by Marc Chagall, Paul Gauguin, Vincent van Gogh, Wassily Kandinsky, Henri Matisse, Piet Mondrian, Edvard Munch, and Pablo Picasso were displayed so as to send the message that their genetic and spiritual degeneration was undermining the purity and culture of the Aryan race. Once again Nazism was drawing on the simple rules of mass psychology in order to consolidate general consensus, again relying on knee-jerk reactions, malleability, atavistic fears of novelty, and the rejection of complexity. Viewers were under a constant, chaotic bombardment of images, with visual discontinuities creating an alienating and hostile space. Some of the paintings were frameless, some were overlapping; others were daubed with mocking messages. ¹⁸

Scitovsky's interest in art was constant, and in August 1939 he traveled to Geneva to see the exhibition of priceless works saved from the Spanish Civil War. He had no time, however, to linger over the Titians, Tintorettos, El Grecos, and Goyas on display, as the alarming news arrived of the Nazi-Soviet Non-Aggression Pact. Foreseeing war as inevitable, Scitovsky left for England at once, realizing that as a Hungarian national, he was in danger of being called up by the German army. He would have liked to find a post lecturing in London, but since there was a risk of his being interned as an enemy alien, Robbins insisted on his emigrating to America: "He [Scitovsky] is not one of the pupils that have been brought out of Hayek. But he comes to seminar and I should say that with the exception of Radomysler, the school seminar scholar, he is one of the best men there. His father was once Minister for Foreign Affairs in Budapest. But there is a Jewish grandmother and he has to look elsewhere for a career." ¹⁹

Thus, in October 1939, uprooted from Europe, Scitovsky had no choice but to leave for the United States.

¹⁷ This development reached its highest point with Le Corbusier's hymn to technocracy: "standardization, mass production, efficiency: three connected phenomena that rule contemporary activity pitilessly, that are neither cruel nor atrocious but, on the contrary, lead to order, to perfection, to purity, to liberty" (Le Corbusier [1930] 1991, p. 36). A radical critic of the Modern Style, in *Complexity and Contradiction in Architecture* (1966) Robert Venturi argued that simplicity, linearity, order, equilibrium, and symmetry must have informational content and must express the dialectic resolution of a basic contradiction, without which they become banal and boring. The issue of "uniformity in variety" in music, poetry, painting, and architecture is discussed at length in Berlyne (1971).

¹⁸ Von Lüttichau (1991, p. 61).

¹⁹ L. Robbins to the Director of Postgraduate Studies of the LSE, March 30, 1939; in the Student File of Tibor Scitovsky, Archives and Special Collections, LSE Library. Robbins was right about Scitovsky's Jewish ancestry. Radomysler, too, was of Jewish extraction. After internment as an enemy alien in 1940, he was released and began lecturing at LSE (Howson 2011, p. 316).

III. THE ECONOMIST AT WORK

A Critique in the Making

While traveling around in search of a university post, Scitovsky had many opportunities to observe American culture close at hand. Whether at Columbia, Harvard, or Chicago, he picked up what he saw as the same conformist, uncritical thought emerging from arid teaching and lackluster conversation. Anticipating Erich Fromm (1941) and at the same time echoing the fears of Paul Valéry, Salvador de Madariaga, and Thomas Mann about the fate of humanistic culture, Scitovsky identified many of the faults as inevitable in an education system promoting encyclopedic knowledge at the cost of critical thought.²⁰ The professors seemed to express no opinions other than an aversion to Keynes. The Columbia undergraduates he observed plowed through enormous book lists, which numbed rather than stimulated the mind.²¹ Scitovsky said, "[M]y economics seems to be singularly ill-suited. Economists here seem to be either mathematicians who would not stoop to reading a non-mathematical article; or they are literal economists who are frightened away by the mention of an indifference curve."²² He seemed to have difficulty in fitting in, as was evidenced by an incident in which he was almost asked to leave a seminar Joseph Schumpeter was holding.²³

At the end of his first year in America, Scitovsky gave expression to his thought in a brief, little-known article in *Social Change* entitled "On the Decline of Competition" (1941a), where he offers a sociological explanation for the instability of competition and the early rise of monopoly in the United States. The article is structured on a contrast between the British and North American approaches to profit-making. He takes the case of nineteenth-century English capitalists climbing the social ladder and copying the lifestyle of Victorian aristocrats. To do this they invested considerable income in recreational activities, which of course did not boost profits but had what for Scitovsky was the positive effect of holding back the excessive growth of top companies and stabilizing competition. This was a strong contrast, therefore, with American capitalists, for whom status meant profit—the sole reason for existence. Competition in America was therefore unbridled—in Scitovsky's terms, "warfare" (1941a, p. 31).

Scitovsky was enthusiastic about his contribution to a sociological "criticism of orthodox economic theory" and wanted to dedicate himself completely to the subject. However, as he confessed to Nicholas Kaldor, his mentor since LSE days, "I was made doubtful by the fact that my first attempt in that direction in *Social Change* seems to have been violently disliked by everybody here."²⁴ His new sociological approach was

²⁰ As Fromm observed in *Escape from Freedom*, "some of the educational methods used today ... further discourage original thinking. One is the emphasis on knowledge of facts, or I should rather say on information" (1941, p. 273). While lecturing at the University of Minnesota, Polanyi, too, expressed his concern for "a growing tendency toward conformity.... A complex psychological process is involved—fear of deviances which may be most strikingly shown by the high value set on 'averagism'" (Karl Polanyi, "Freedom and Technology," unpublished manuscript, circa 1957, in the Karl Polanyi Digital Archives, Container 36, Folder 09, sec. I, p. 3. Institute of Political Economy, Concordia University, Montreal, Canada).

²¹ Scitovsky to Kaldor, Dec. 11, 1939. The Papers of Nicholas Kaldor, 1910–1986. King's College Archives, University of Cambridge. GB 272 NK (hereafter PNK), GBR/0272/NK/3/30/197/45.

²² Scitovsky to Kaldor, Sept. 24, 1941. PNK, GBR/0272/NK/3/30/197/32.

²³ Scitovsky to Kaldor, March 31, 1942. PNK, GBR/0272/NK/3/30/197/22.

broadly accepted only with his widely cited 1943 article, "A Note on Profit Maximization and Its Implications," where he explained, this time in an economic framework, the shortcomings of the entrepreneur's "puritan psychology" (Scitovsky 1943, p. 60).²⁵

Between 1939 and 1942, Scitovsky found himself in dire circumstances, with no job and few prospects. He would have liked to teach but lacked the credentials, and furthermore neither the English nor the American government was willing to grant him a visa. He was determined, however, not to go back to Hungary. Thus, under the imperative to publish or perish, he devoted himself to writing a few short, simple papers (Scitovsky 1940, 1941b, 1941c, 1941d), of which "A Note on Welfare Propositions in Economics" (1941b) was a critique of the Weak Kaldor Compensation Criterion, and would become his best-known contribution.²⁶

Scitovsky's circumstances seemed to be going from bad to worse. Arrested on suspicion of being a "premature anti-fascist" ("Memoirs," c. 1995, p. 67), i.e., a communist, he managed to escape deportation by joining the American army (1943) and was sent to Europe. Given his knowledge of French and German, he was assigned to the propaganda section and happily sent back to Europe. At the end of the war, he was teamed up with Kaldor and John Kenneth Galbraith, tasked with tracking down Albert Speer.²⁷ He then found himself recruited to the United States Strategic Bombing Survey, alongside Kaldor, Galbraith, and Ernst F. Schumacher.

With the war over, Scitovsky was appointed to Stanford University (1946), where his Keynesian orientation worked in his favor. Obtaining a professorship in a foreign country was a major step forward. On a practical level, he enjoyed the academic routine, the constant mental stimulus provided by lecturing, participating in conferences, answering students' occasionally penetrating questions, plus writing and publishing. Memories of his childhood resurface when he mentions that he came to the idea of the price-taker/price-maker relationship on recalling the trips around the European capitals with his parents, realizing with hindsight that though they were expert bargainers, the final word always lay with the sellers.²⁸

Supposedly to support his parents in California, whose house in Budapest had been expropriated by the communists, Scitovsky decided to publish a book (*Welfare and Competition*, 1951) presenting his findings together with other ideas on the decline of competition in a mass-consumption economy. In the chapter "On the Conditions of Free Competition," he reiterates the argument already presented in his 1941 article in *Social Change*, namely, that the good working of competition is the result of cultural factors. There, he mentions Roger Fry's *Last Lectures* (1939) to show how the "lesser standardization and greater variety" (Scitovsky 1951, p. 329) of European products, the key elements for a free competition, depend on the more varied preferences of European consumers.

²⁵ As Peter Earl (1992) pointed out, as early as the 1943 article Scitovsky made repeated attempts to introduce psychology into economic discourse but did not pursue it further in either a deeper behavioral investigation of managerial theory of the firm or, more generally, in welfare analysis.

²⁶ Not surprisingly, given his past experiences and studies, much of his work in this period dealt with the distributional consequences of changes in policy for the underlying economic systems.

²⁷ Galbraith's (1981, ch. 13) recollection of the episode, which is far more accurate than Scitovsky's brief mention. See "Memoirs," c. 1995, p. 81.

²⁸ "Memoirs," c. 1995, p. 84b. See also Di Giovinazzo (2012).

Technological Progress and Cultural Conformity

From the early 1950s, however, and especially now he had the security of a permanent post, Scitovsky's publications began to reflect his growing interest in cultural questions. Stanford brought him physically closer to the American economic boom and the film industry, and also close to intellectuals such as Theodor Adorno, Max Horkheimer, and Herbert Marcuse, who had found a safe haven in what was termed "German California." California was the state where mass-production technology had radically changed the nature of work, amusement, and social relations, contributing to the transformation of culture into a mass product. As Marcuse observed, "the 'mechanics of conformity' spread from the technological to the social order; they govern performance not only in the factories and shops, but also in the offices, schools, assemblies and, finally, in the realm of relaxation and entertainment" ([1941] 1982, p. 145). 30

The cultural conformity generated by technological capitalism was seen by many critics of modernity to have caused the crisis of liberalism and rise of totalitarian states. For Polanyi, the causality was clear: "May it be possible that technological advancement opens up avenues to totalitarian trends?" Other intellectuals such as Erich Fromm, Hanna Arendt, Bertrand de Jouvenel, and Raymond Aron also condemned the effects of technology, judging them sufficiently serious to constitute a threat to civilization itself. Arendt ([1958] 1959) held that it involved transforming *opus* into *labor*, depriving individuals of their main source of satisfaction. Aron (1968) noted an increase in boredom, anxiety, and frustration, and Karl Mannheim (1940) perceived a rise in violence. De Jouvenel felt that the conformism induced by mass production undermined freedom of choice (1964). According to Fromm (1981, pp. 32–33), material well-being had turned people into the slaves of consumerism: "homo consumens ... mistakes thrill and excitement for joy and happiness, and material comfort for aliveness; satisfied greed becomes the meaning of life, the striving for it a new religion."

The pessimism expressed by social critics was echoed by historians of technology and architecture. In *The Mass Ornament* ([1927] 1999), for example, Siegfried Kracauer sees in the regularity and precision of "tap and kick" routines of the Tiller Girls the same hypnotic rhythm as that of the assembly line. In *The Culture of Cities* (1938), Lewis Mumford explains how a town dweller's insatiable hunger for novelty comes from their need to flee the boredom provoked by the excesses of commerce. As he claims, "these constant stimuli need a constant stepping up of intensification: the alternative is satiety and boredom." Siegfried Giedion's *Mechanization Takes Command* (1948, p. 132) focuses on the effect of the standardization of products in reducing variety and therefore consumer choice. Architect and social critic Bernard Rudofsky (1955) considers the boredom caused by the abuse of mechanized comfort to be a basic problem of modern society. He consequently regards novelty, from fashion to lifestyle, as a powerful palliative, a survival mechanism invented by the modern economy. In the same vein

²⁹ The term "German California" was coined by Thomas Mann to describe the community of fellow exiles, including Brecht, Schoenberg, and Lang. See Müller-Doohm (2005).

³⁰ More succinct and more cutting was Horkheimer and Adorno's comment about culture infecting everything with sameness (2002, p. 94). Ideologically, they despised mass culture as not being democratic. ³¹ Karl Polanyi, "Freedom and Technology," unpublished manuscript, circa 1957, in The Karl Polanyi Digital Archives, Container 36, Folder 09, sec. II. Institute of Political Economy, Concordia University, Montreal, Canada.

as Gide, he concludes that commercial novelties are mostly responsible for the spread of conformist thinking,

The domination of ephemeral, commercially promoted fashion is not limited to clothes, but pervades every moment of our lives. It rules our homes, from the height of the roof to the form of our ash-tray. It literally colors political tendencies. Under the bombardment of advertisements, our music, sculpture and cooking, musical tastes, artistic fashions, habits are remodeled according to an amorphous denominator—the fashion of the day. (In Rossi 2016, p. 155; author's translation)

Scitovsky was much stimulated by these discussions of the relation between technological progress and human civilization, as indicated at least in part by the volumes housed in his private library, which included: Mumford, *The Culture of Cities* (1938); Collingwood, *The Principles of Art* (1938) and *The New Leviathan: Or Man, Society, Civilization and Barbarism* (1942); Arnheim, *Art and Visual Perception: A Psychology of the Creative Eye* (1954); Fromm, *The Sane Society* (1955); Arendt, *The Human Condition* (1958); Aron, *Main Currents in Sociological Thought* (1967) and *Progress and Disillusion* (1968); de Jouvenel, *Arcadie. Essai sur le mieux vivre* (1969).³²

The issues raised by the social critics and the historians of technology and architecture can be already traced in Scitovsky's publications from the late 1950s onwards. In "What Price Economic Progress?," co-written with Anne Scitovsky ([1959] 1964), he draws heavily on Fromm and the Frankfurt School in order to criticize the American moneymaking attitude, denouncing the cultural and social collateral effects of economic progress, which he judges difficult to quantify.³³ He regrets the way the desire for commercial novelty has killed off individual creativity, and criticizes standardized production for reducing quality and variety, thus limiting freedom of choice. With the same logic that allows him to reconcile the viewpoints of Mannheim and de Jouvenel, he observes that in a standardized society, producers find greater profit in satisfying the needs of an "unsophisticated majority" (p. 223) of spectators rather than those of an uncomfortable minority. In this way he explains why Hollywood films constructed on hypnotic special effects and lightweight plots are far more popular than more exacting foreign productions.³⁴ Uniformity, worsening product quality, limited choice, and the tyranny of the masses, already de Jouvenel's forte (1957), are Scitovsky's leitmotifs in both "A Critique of Present and Proposed Standards" (1960) and "On the Principle of Consumer Sovereignty" (1962). In the latter, he holds that "the increasing neglect of minority preferences is a bad thing because it is illiberal, makes for uniformity and destroys to some degree the principal merit of the market economy: its ability to cater separately and simultaneously to different people's differing needs and tastes" (p. 265).

Notwithstanding these articles, for most of the 1950s Scitovsky published mainly on problems of international liquidity and monetary union (1954, 1956, 1957, 1958). This

³² Most of these titles belong to a series Scitovsky donated to the Central European University in Budapest. Unfortunately, the rest of his extensive library was lost after his death.

³³ For a more detailed discussion of the influence of Fromm on Scitovsky, see Di Giovinazzo (2019).

³⁴ Scitovsky's cultural elitism was in line with that of Fry and de Jouvenel. Fry ([1926] 1999) claims that the manufacturer is almost obliged to prefer the comfort of conventional patterns to more novel, daring ones in order to meet the average taste. De Jouvenel claims harshly that "revealed preferences in fact reveal *ignorances*, the lack of intellectual and aesthetic formation" (1957, p. 240).

contributed to his international reputation so that, in 1963, he was invited to join the Group of 32 Economists financed by the Ford Foundation to discuss world monetary reform ("Memoirs," c. 1995, p. 92). During a meeting at the Trianon Palace Hotel in Versailles, he felt a sensation of history repeating itself, when he found himself in the same room in which almost half a century earlier his father sat as a member of the Hungarian delegation discussing their destiny post-World War I.

As the 1960s wore on, however, Scitovsky's writings appear to be changing emphasis as dormant interests begin to emerge, 35 solicited by the change in his personal life—divorce, remarriage, and relocation. Scitovsky had met Erzebeth Vida, a Hungarian who had fled the communist regime in 1956. She shared the same cultural traditions and the same *joie de vivre*—more of a soulmate, therefore, for Tibor, who had remained something of a Baudelairean *flâneur*. In order to distance himself from a somewhat painful divorce, Scitovsky accepted a research position with a lower salary at the Development Centre of the Organization for Economic Co-operation and Development (OECD), and transferred to Paris (1967 to 1969). There, in Paris, he was able to confirm and consolidate in all its aspects the cultural divide between Europe and North America. Importantly, he came to recognize that a drastic drop in income could be paradoxically accompanied by a fuller sense of life. For example, not only did he rediscover the same attractions Paris had in the 1930s but he also found similar pleasures in trips to Belgium, Italy, West Germany, and Switzerland—all excursions that took him down memory lane to his childhood and the trips with his parents looking for antiques.

From a professional and scientific point of view, this was to prove a critical moment. Scitovsky's personal experience was contradicting standard economic theory, namely that income is a reliable index of well-being for both individual and society. It was this desire to seek the causes of individual satisfaction that brought him to the borderline between economics and psychology. He turned to the Cambridge economists, Alfred Marshall, Ralph Hawtrey, and John Maynard Keynes, only to find that their ideas on instincts and motivation were based on classical philosophy. However, when he was back in Stanford, he consulted Franz Goetz, his family doctor and a psychologist in the Medical School, who was an expert in the study of boredom and who suggested some writings on motivation by a group of physiological psychologists. Scitovsky was particularly drawn by the experimental work of Donald Hebb (1949, 1955) and Daniel Berlyne (1960, 1971), in which he found what he described as "the revelation" that allowed him to put into place the various tesseræ gathered over the years.³⁶

In an experiment on boredom, for example, Hebb showed that people need not only physical comfort but also pleasantly stimulating activities that keep their minds busy. Berlyne examined at length the motivational mechanism that produces a pleasantly

³⁵ As Scitovsky's colleague and friend Kenneth Arrow remembers, "Like most outstanding economists, Scitovsky's work has been absorbed and become standard. Certainly, the two papers on community indifference curves and that on externalities in economic development are permanent classics. ... As for *Readings in Welfare Economics*, we [Arrow and Scitovsky] were asked by Bernard Haley (an older member of the department and a long-time editor of the American Economic Review) to edit this volume. We took this as an assignment to be executed responsibly to the state of the field and not to our particular interests. Indeed, his own views were changing radically" (Arrow, email to author, December 24, 2011).

³⁶ As Scitovsky claimed, "[T]hey answered all my questions; fitted in with introspection into my feeling and behavior; and seemed to verify and provide a scientific explanation also for the remarkable insights of Plato and [Ralph] Hawtrey" ("Memoirs," p. 106).

stimulating sensation and thereby serves to orientate preferences. His work on aesthetics showed that people are attracted by novelty, which he identified in complexity, incongruity, variety, and surprise (i.e. collective variables), with the greatest level of satisfaction corresponding to an intermediate level of novelty.³⁷ What mattered most to Scitovsky was that the motivational theory of arousal provided a scientific basis for both the insights from Cambridge and the intuitions he had accumulated through the years. The distinction made by Berlyne between comfort (absence of pain) and pleasure (enjoyment)—the latter resulting from activities "pursued for their own sake" (1960, p. 1), ranging from physical to mental exercise, and including "idle curiosity" (p. 5)—confirmed the Bloomsbury view of the "good life."³⁸ When concluding that the most pleasant sensation lies at an intermediate level of solicitation, Berlyne offers, in fact, the scientific evidence for Bertrand Russell's "zest" theory of happiness.

Thanks to Hebb and Berlyne, Scitovsky was able to find a scientific theory for the problem of the modern consumer who is dazed and bored by the barrage of advertising of mass-produced, homogeneous goods and ends up with the neuroses so well documented by social critics. At this point, Scitovsky had the terms of the issue clear, and from then on concentrated on the relation between economic welfare and individual well-being in a series of articles that blended his personal experience and reading with psychological theory and experiment.

Towards The Joyless Economy

In "What's Wrong with the Arts Is What's Wrong with Society" (1972), Scitovsky's passion for the arts and recent discoveries in psychology merge in a critique directed at the American way of life. There is no radical change in Scitovsky's position, for he again asserts that the American consumer's scarce "aesthetic sensibility" (p. 64) is due to both the Puritan tradition of values and an education system concentrating on production rather than consumption skills. And again, he offers the model of the old leisure classes who placed the development of the liberal arts at the center of their value systems. Like Bernard Rudofsky, he criticizes defensive consumption (i.e., the avoidance of pain, boredom, or effort) for having crowded out the simple pleasures of life. By placing a contemplative attitude to the arts at the foundation of civilization, and a liberal education

³⁷ Berlyne (1974, pp. 123–128). In order to explain the principle of unity-amid-variety, Berlyne uses art and music as examples. It is interesting to note the absence of any involvment by Scitovsky with the Center for Advanced Studies in the Behavioral Sciences at Stanford, where a significant part of the literature in behavioral economics originated. Amos Tversky and Richard Easterlin, for example, were research fellows for the academic year 1970–71, precisely when Scitovsky was trying to understand the divergence between economic progress and individual well-being. In fact, Scitovsky was not interested in tailoring standard utility theory in order to accommodate biases in behavior. Rather he sought to explain in more sociological terms why actual consumer behavior led to dissatisfaction. As pointed out in Bianchi (2016), Scitovsky's use of psychology is original as it goes beyond Berlyne's theory and its limits of the physiology of the brain, envisaging a less mechanistic, more sophisticated psychology theory of self-determination (see Csikzentmihalyi 1990; Deci and Ryan 2017).

³⁸ Scitovsky used aesthetics as a point of departure in investigating the shortcomings of the mass-production society, and in this was close to the Frankfurt School. However, when he concluded that the aesthetic domain has been made subservient to the requirements of the economic system, his call for the autonomy of art draws more on the decidedly non-Marxist ideas of the "Cambridge humanist" tradition (Levy 1979, p. 116).

as the best way to develop such a skill, this article reveals similarities with the positions of Clive Bell (1928) and Fry ([1909] 1956).³⁹

"The Place of Economic Welfare in Human Welfare" (1973a) is dedicated entirely to Berlyne and his colleagues. In an indirect criticism of behaviorist psychology, Scitovsky observes that to depict human beings as mere automata engaged in action because they are aroused more by the need to eliminate physical discomfort than by autonomously motivated desire is to take an impoverished view of the human condition. To illustrate his claim, Scitovsky turned to a miniature by Brueghel the Elder that conveys an idea of boredom and desolation that reminded Scitovsky of his family at Nőtinc.

In my mind, it [the unstimulated condition] reminds me ... of a delightful painting in the Kunsthistorisches Museum in Vienna titled *Schlaraffenland* or *Land of Cockaigne*.... This shows a number of full-bellied men sprawling on their back, too lazy and satiated to move, with roast chickens picking their way among them within easy reach, a knife and fork stuck in their backs for the greater convenience of the men, should a base desire seize them to catch and eat the chickens. (1973a, p. 10)

Scitovsky goes on to give Berlyne's list of activities pursued for their own sake, typical of the curriculum of studies emphasized by Valéry and fellow defenders of European civilization, and which he regards as fundamental for individual well-being: arts, literature, sports, philosophy, scientific exploration, and artistic creation. In "Notes on the Producer Society" (1973b), he adopts the same tone as Fromm and the Frankfurt School, observing that in the present state of capitalism, "the great majority of mankind has been alienated from its product" (p. 227). He also calls into question the average consumer, who is too easily seduced by technology, and he sees a third negative role played by advertising, which shapes consumer preferences in line with production needs, with scale technologies again limiting freedom of choice.

In "A New Approach to the Theory of Consumer Behavior" (1973c), Scitovsky mentions de Jouvenel's "Efficiency and Amenity" ([1959] 1961) to show how technology and Western materialist culture favor the large-scale production of time-and effort-saving comfort goods. "Economic Growth and Its Discontents" (1973d) and "Inequalities: Open and Hidden, Measured and Immeasurable" (1973e) are dedicated to the theme of happiness and well-being in a modern economy. "Are Men Rational or Economists Wrong?" (1974) appeared alongside the famous article by Richard Easterlin "Does Economic Growth Improve the Human Lot?" (1974). Here Scitovsky repeats his aim to look into human motivation, cultural influences, social pressures, and psychological experiments in order to acquire a better understanding of consumer behavior. Galbraith warned him against handling subjects so far away from mainstream economic theory, but he took no notice of the advice.⁴⁰

³⁹ There are many affinities and conceptual connections between him and the Bloomsbury Group. For example, in "An Essay in Aesthetics" ([1909] 1956), Fry holds to be beautiful an object that posesses a high degree of both order and variety. Fry uses the same variables as those isolated by Berlyne. Russell claims that "industrialism … destroys beauty, creates ugliness, and tends to destroy artistic capacity" ([1923] 1959, p. 182). Clive Bell ([1928] 1973, p. 42) sees high civilizing qualities in the person who deliberately sacrifices comfort for beauty.

⁴⁰ Galbraith's reaction to the manuscript of *The Joyless Economy* was hostile: "Your real problem is integration and presentation. Your psychological and related insights are now too separate from your

The fact that Scitovsky spent the last year of his academic life working on *The Joyless Economy* is already a powerful indication of the importance he gave it. It was indeed a revolutionary text, introducing motivational psychology into economics in order to provide a scientific basis for his criticism of the richest economy in the world, with the "good life" and its requirements always in mind (Scitovsky 1976, p. viii). ⁴¹ In the introductory chapter of the book, "Plutocracy and Mob Rule," Scitovsky employs the same vocabulary used by Fry; ⁴² and provides a similar criticism of the average (American) consumer, who, in keeping with Le Bon's mass psychology, is seen as less than rational, easily influenced by other consumers and the nature/quantity of goods on offer. Since economies of scale are all-important, it is the masses that are inevitably satisfied, at the cost of more sophisticated tastes. Thus, what Gide had already observed in planned economies was, for Scitovsky, happening in the West, namely, conformity in product, inducing conformity in taste, choice, and thought.

Part I of *The Joyless Economy* presents a simple account of the motivational theory of arousal. On the basis of Berlyne's experiments, Scitovsky was able not only to restore an internal logic to behaviors normally considered irrational in economics, such as a passion for extreme sports or gambling, but also to explain why a surfeit of material comfort can lead to dissatisfaction and even mental illness. From Berlyne's distinction between comfort and pleasure, Scitovsky was able to move away from a utilitarian perspective that understands "more" as "better." Thanks to Berlyne's findings, Scitovsky was also able to postulate an endogenous evolution of individual choices towards acquisitions of increasing complexity. In order to illustrate how the mechanism of aesthetic appreciation functions, he gives the example of classical music:

[W]hen I first listen to a complex piece of music with a large information flow, my brain automatically keeps the subjective information flow within the limits of its capacity by blocking out part of harmonic complexity. Only as repeated hearing reduces the subjective novelty of what I have already heard and so frees part of my brain's information-processing capacity, do I begin to notice the complexity I have previously missed. (Scitovsky 1976, pp. 53–54)

The book then moves on from individual psychology to social analysis. Part II explains how technological progress and mass production are endangering not only creativity—for Fry, the "imaginative life" ([1909] 1956, p. 18)—but also simple everyday pleasures such as cooking and pleasant conversation. He indicts American consumers for seeking excessive comfort and quotes Giedion's mockery of their

economics. One does not easily see the bearing of the first on the second" (Galbraith to Scitovsky, April 11, 1974). I thank Alexandre Chirat for showing me this letter.

⁴¹ Professor Arne Jon Isachsen remembers his time as Scitovsky's assistant: "Tibor would walk up and down the floor of his office, making his arguments, be it about American versus European habits and consumption patterns, about how the brain works to arouse excitement etc. while I was sitting and listening to it all, occasionally weighing in with some comments" (Isachsen, email to author, June 24, 2018).

⁴² Quite strikingly, in "Art and Socialism," Fry ([1920] 1956) too believes that in market capitalism, quality lies in the hands of two tyrants: the "plutocracy" and the "mass" (pp. 57 and 63). When describing the producer's choice, Scitovsky, in fact, uses a form of reasoning similar to that in Keynes's beauty contest: in order to obtain better deals, one should align with the average public taste.

preferences for industrial, prepackaged, prefabricated foods (Scitovsky 1976, p. 189). On the subject of aesthetics, Scitovsky turns to his childhood memories to recall the superior quality of his parents' purely decorative, handmade objects, made unique by their small imperfections, over mass-produced products.⁴³ Like Rudofsky, Scitovsky claims that fashion and design are efficient palliatives for boredom but at the same time are the products of a standardized economy, thus giving rise to conformism and consumerism (p. 257).⁴⁴

Scitovsky then goes on to apply to landscape aesthetics the conclusions already reached by both motivational psychologists and the critics of the modern architecture, namely, that simplicity of line and form must be the synthesis and solution of an internal complexity to prevent the product from becoming banal and therefore boring (Scitovsky 1976, pp. 252–253). It follows that Scitovsky favors the vernacular architecture of the primitive and pre-industrial societies described by Rudofsky (1964), which uses local materials and traditions because of local requirements and creates a harmony of functionality and beauty—unlike American skyscrapers built by engineers and architects, where functionality prevails over beauty. As the book comes to a close, Scitovsky underlines yet again the need for culture, inspired by the lifestyle of the old leisured classes (p. 228). At the end of his journey into the psychology of human satisfaction, his thought circles back to the activities carried out for the sole pleasure of pursuing them, those he enjoyed back in Budapest, and then in Paris and England, those praised by the Bloomsbury Group.

When it came out, *The Joyless Economy* appealed to general readers but disappointed American academia, even if the author wisely avoided mentioning any sociological literature, which he knew would have proved unacceptable. As predicted by Galbraith, colleagues interpreted *The Joyless Economy* as an attack on economic liberalism and an undue intrusion into consumer preferences. Mild and reserved as he was, Scitovsky chose not to answer the critics directly but went on quietly writing about the relation between technological progress and individual well-being (Scitovsky [1979] 1986, [1983] 1986, [1984] 1986, 1995). The much-contested monograph began to acquire popularity after the 1992 second edition. In the wake of the experiments of Daniel Kahneman and others, a new interest was awakened in the subjective determinants of well-being, and economists began to view Scitovsky as a precursor of behavioral economics and happiness studies. He was a subjective determinants of the conomics and happiness studies.

⁴³ Following on William Morris, in "Art and Commerce" ([1926] 1999) Fry mentions the example of pottery in order to show the aesthetic superiority of handmade objects in contrast with the mass-produced ones. See Goodwin (1999, pp. 119–120).

⁴⁴ Scitovsky (1976). It is interesting to note yet another similarity with Fry ([1926] 1999), who writes that if a product is intended to sell well, it must have a content familiar to a consumer, who otherwise would be put out by excessive novelty. In his words, "his [the manufacturer's] design must be one that is likely not to offend anyone—it must therefore look as like what people are already accustomed to as possible, and yet just have a suggestion of novelty" (in Goodwin 1999, p. 120).

⁴⁵ See the reviews of *The Joyless Economy* by Friedman (1976); Aufhauser (1976); Peacock (1976); Zikmund (1977).

⁴⁶ As for Scitovsky's connection with happiness studies, see Frey and Stutzer (2002); Blanchflower and Oswald (2004); Kahneman et al. (2006); Pugno (2016). However, like Rudofsky himself, Scitovsky could be better defined as an "aristocratic Epicurean" (Bocco Guarneri 2003, p. 57). Between the Sybarites' excess (consumerism) and the Spartans' austerity (the Protestant ethic), he preferred the liberal alternative of the Athenian civilization, famously centered upon a cultivation of leisure. As for Scitovsky's relationship with behavioral studies, as Bianchi (2016) has already pointed out, to overemphasize the effect on Scitovsky's

IV. CONCLUSION

In the introduction to his "Memoirs" (c. 1995) Scitovsky declares that he is not writing for economists but for a general readership, noting that the recollections contain little about economics and that their appeal lies in their account of the "events, variety and complexity" of his life. What emerges is, indeed, a fast-paced, almost cinematographic, narrative covering much of the twentieth century, from interwar Europe, through Scitovsky's role in WW II and its aftermath, to the United States of the 1970s. The episodes are made all the more intriguing by the way Scitovsky crosses paths early on with influential figures, from the French poet Paul Valéry to the British super-spy/traitor Kim Philby, Pope Pius XII, and various writers, musicians, and artists. All this takes place against a background of mounting tensions, with statecraft failing, rampant inflation, and democracies succumbing to totalitarianism. All of this was captivating but clearly not of immediate interest to economists, who could read his already published work.

However, if the "Memoirs" (c. 1995) are read as a companion text to *The Joyless* Economy, they gain interest for economists. They can throw light on the making of the latter book, showing how it is the result of a lifelong process of observation and enquiry that goes right back into childhood. It is as though Scitovsky was ever involved in fieldwork, collecting and collating data. Whether a small boy in unstable Hungary or an aging university professor in an alienating California, Scitovsky is ever registering and recording events and actions and storing them away for future reference. Just a few examples from his Hungarian period already show his forma mentis—his sharp perceptions and ever-present social conscience are already there; nature but also nurture. His precocious awareness of high-level politics derives from his father's political role; his love of reading, from his hours of solitude; his appreciation of the visual arts, from his parents. Reading would be his lifelong practice, novels extending experience, essays helping to deepen it. The visual arts were an aesthetic presence, which would be incorporated into his vision of the good life. These early roots—forged by a precocious social and political conscience, heightened awareness, and aesthetic sensitivity—shaped Scitovsky's life permanently, sustaining him to the end of his career.

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thought on the physiological physiology of Berlyne in particular has the effect of reducing the importance Scitovsky gave to *creativity* for long-term human satisfaction. Scitovsky's deep interest was in culture as determined by knowledge and experience, and this means experience over the *long* period, the realm of Benjamin's *Erfahrung*. The behavioral economists and experimental psychologists, whether Kahneman or Berlyne, were confined to the realm of *Erlebnis*, i.e., immediate sensation or instant utility.

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