

## **Introduction**

### *The Good Life: Values, Markets, and Wellbeing*

This book explores what the good life means for people living in very different places and circumstances. I report on ethnographic fieldwork among urban German shoppers and among rural Maya farmers, looking at how people engage the market to pursue their own visions of wellbeing. By the last chapter, I hope to have convinced you that there are lessons to be learned from different understandings of wellbeing across cultures, lessons for how we organize our own lives and societies.

I begin with a simple proposition: that we should understand the ends of economics, as well as politics, to be provisioning the good life as widely as possible for people as they themselves conceive it. This normative assertion then raises the empirical questions: Just what are different people's visions of the good life? And how do they engage markets in pursuit of wellbeing as they conceive it? In this book I document the well-established importance of material conditions (income, health, security) but show that most people's views of wellbeing—across cultures—cannot be reduced to material condi-

tions alone. People are more than self-interested agents concerned only with material gains, even if we do fit that stereotype at times. Here I focus on key non-material qualities that define the good life: aspiration and opportunity, dignity and fairness, and commitments to larger purposes. Recognizing such elements of the good life in other cultures allows us to see our own social structures, markets, and political systems in a critical light, and to evaluate market forces and regulatory systems as mechanisms to promote not only material wealth, but greater overall wellbeing.<sup>1</sup>

We often use “happiness” as shorthand for wellbeing, but there are at least two types of happiness. There is the “hedonic” happiness of everyday contentment (and the cheeriness the term calls to mind in common American usage). Then there is a broader sense of “life satisfaction,” judged by the criteria of “wellbeing” and “the good life.”<sup>2</sup> Some might call this second condition simply “happiness” as well, but it is more in line with the Aristotelian ideal of a fulfilled life, *eudaimonia*. The Greek roots of *eudaimonia* aptly carry the connotation of benevolent power over one’s destiny, the power to construct a life that one values.

If wellbeing is more than just being well, then perhaps the good life is not a state to be obtained but an ongoing aspiration for something better that gives meaning to life’s pursuits. In this view, striving for the good life involves the arduous work of becoming, of trying to live a life that one deems worthy, becoming the sort of person that one desires. As such, the good life is not made up of simple happiness. It requires trade-offs, and often forgoing hedonistic pleasure. Robert Nozick (1974) asks if it would be preferable to live in an “experience machine” that could give one any experience desired (indistinguishable from real life) or to live one’s real up-and-down life. Nozick argues that most folks would choose real life, that the pleasures and pains of real experience and struggle give value to the ends enjoyed, and that individuals are driven to be certain sorts of people (not indeterminate blobs). Similarly, in the film *The Matrix*, Neo is faced with a blue pill/red pill dilemma, and clearly the scary reality of the red pill is the right, and virtuous, path to take, even though it is the antithesis of the blue pill’s blissful ignorance.

These two sorts of happiness—hedonic and *eudaimonic*—can well be at odds with each other, a tension familiar to most from daily life and one crucial to understanding economic behavior. In this book I examine wellbeing and the good life by looking at how different sorts of values (cultural, moral, material) inform economic relations. We look to German supermarket

shoppers, who overwhelmingly say they prefer organic and free-range eggs, but as often as not actually buy cheaper alternatives. A complicated and imprecise calculus is at work here, translating moral values into hard prices at the level of individual choice. More broadly, such concerns inform public policy, as we see in Germany's "social market economy" and its model of co-determination. In the second half of the book I turn to a very different case: Maya farmers in Guatemala growing high-end coffee for the global market. Here too we find values congealing around market relations. In a context of material scarcity and limited opportunities, smallholding rural farmers actively engage new market demands for specialty high-altitude coffee, seeing them as an imperfect path to the *algo más* (something better) they envision.

### *Germany, Guatemala, and the United States*

Germany and Guatemala may seem like an odd pair for comparison, sharing little beyond their alliterative quality. In fact, they have a number of striking similarities. In both countries there is a strong attachment to place of birth and much less mobility than in the United States; marked regional ethnic and linguistic variation; and a preference for using cash in daily transactions.<sup>7</sup> Both places are defined in fundamental ways by histories of genocidal state violence: the German Holocaust and Guatemala's *violencia*. Germany and Guatemala are also bound by intertwined histories of migration and coffee exports. All the same, those coincidences are less relevant for our present purpose than the lessons we can learn about wellbeing from a close examination of vastly different social, political, and economic contexts.

In both places we find broadly similar concerns around aspirations and agency, the ability and opportunity to effectively pursue one's vision of the future; around dignity and fairness; and around the moral projects that impart a sense of larger purpose to one's life. These similarities emerge from very different political economies. According to the United Nations Development Programme's Human Development Index (HDI), and by almost any measure, Germany ranks in the top tier of highly developed countries. While gross national income per head is much lower in Germany than in

\* A more extensive list of Guatemala/Germany similarities may be found on my blog at [www.tedfischer.org](http://www.tedfischer.org).

the United States, for example, Germany gets high marks in health, education, and security.<sup>\*</sup> Much derided during the 1990s and early 2000s for its rigidity and perpetually high unemployment, the German model emerged from the 2008 financial crisis as an example to be emulated, lauded in remarks from the World Economic Forum in Davos to the pages of the *Wall Street Journal* and the *New York Times*. In contrast, Guatemala is more often held up as a cautionary tale. In terms of national income per capita, it ranks toward the bottom of “middle-income” countries, although this masks very high levels of inequality. By any measure, the Maya (who make up half the population) suffer the highest rates of poverty and exclusion in the country. In the 2011 HDI rankings, Guatemala ranks 131 (out of 187 countries), following Botswana (118), Vietnam (128), and just ahead of Iraq (132); for comparison, Brazil ranks 84 on the HDI and Mozambique is at 184. In the 2000s, Guatemala became a key spot in the international cocaine trade, and traffickers effectively control large swaths of the country. The violent death rate is among the highest in the world, and impunity largely reigns with a murder conviction rate that hovers around nil. In these and many ways, Guatemala and Germany could hardly be more different.

#### Economic and Social Indicators for Germany, Guatemala, and the United States

	2011 Human Development Index Rank	Gross National Income per Capita (\$US)	Life Expectancy (years)	Gini Index of Inequality <sup>a</sup>	Murder Rate (per 100,000)
Guatemala	131	4,167	71.2	55.1	39
Germany	9	34,854	80.4	27	0.84
United States	4	43,017	78.5	45	4.8

SOURCE: UNDP *World Development Report* (2011); CIA *World Fact Book* (2012).

<sup>a</sup> 0 = perfect equality, and 100 = perfect inequality (both extremes are hypothetical, of course).

#### *Elements of the Good Life*

Looking at how wellbeing is conceived in Germany and Guatemala, we see people engaging their circumstances as both producers and consumers to pursue their own visions of the good life. In both cases, the concept of wellbeing is morally laden—replete with ideas about value, worth, virtue, what is good

\* Gross national product (GNP) and gross national income (GNI) are roughly similar measures of national economic activity; I use them interchangeably here, depending on the source.

or bad, right or wrong. We find people who give moral meanings to their many market interactions, and take moral meanings from them as well. This is true not only in exotic Guatemala and distant Germany, but also in our own culture. Think of the moralities around consumption—the overtly ethical component of trade in Fair Trade and organic goods, but also the ways consumption embodies meanings around thrift and generosity, family obligations and social relations, and a whole host of other personal and cultural values.

To understand the good life, wherever it may be found, we must take seriously not only material conditions but also people's desires, aspirations, and imaginations—the hopes, fears, and other subjective factors that drive their engagement with the world. Such motivations are resistant to simple quantification and often dismissed or overlooked in the economic and development literature (Miller 1998; Biehl 2007; Laidlaw 2007). Anthropology provides the possibility of another approach, valuing what people say the good life should look like and building an understanding of wellbeing from the ground up through the dialectic engagement of fieldwork. Arjun Appadurai (2013: 292) observes that “the missing piece here has been a systematic effort to understand how cultural systems, as combinations of norms, dispositions, practices, and histories, frame the good life as a landscape of discernable ends and of practical paths to the achievement of these ends.”

Toward that end, this book presents a systematic comparison of conceptions of wellbeing and the good life in very different places, focusing on commonalities as well as differences.<sup>3</sup> In line with other research, I find that **adequate material resources** (“adequate” being relatively defined), **physical health and safety**, and **family and social relations** are all core and necessary elements of wellbeing. Yet alone they are insufficient. The research I report on here points to the importance of three more subjective domains:

- **aspiration and opportunity**
- **dignity and fairness**
- **commitment to a larger purpose**

In what follows, I show how these qualities are expressed by German consumers and Maya farmers, what they mean for *their* visions of the good life, and what they can tell *us* about wellbeing.

Wellbeing requires a capacity for **aspiration** as well as the agency and opportunity to make realizing aspirations seem viable. Appadurai (2013: 187–

89) distinguishes specific *aspirations* (which “form parts of wider ethical and metaphysical ideas that derive from larger cultural norms”) from *the capacity to aspire*, conceived as a navigational capability (“nurtured by the possibility of real-world conjectures and refutations”), mapping the steps from here to there as oriented by cultural and ethical visions of the future. This perspective recognizes the strategic element of choice, often overlooked in studies of poor and marginalized peoples, and the substantive basis for what is broadly glossed in the development literature as “empowerment” (control over one’s destiny). It also has the virtue of embracing a subjective sense of desire and the role of imagination in determinations of value (Fischer and Benson 2006; Beckert 2011; Moore 2011; Nelson 2013).

Michael Jackson (2011:xi) writes that ideas about wellbeing “are grounded in the mystery of existential discontent” (an inevitable “sense of insufficiency and loss”) that leads to hope, “that sense that one may become other or more than one presently is or was fated to be.” Living up to the expectations of particular values is in many ways the stock and trade of human existence; and it is this forward-looking, aspirational quality that gives meaning to much of what we do, affluent and impoverished alike.<sup>4</sup>

Notions of the good life orient the aspirations of agency and provide a dynamic framework with which to interpret one’s own actions and those of others, all the while bound by the realm of what is seen as possible. The market is a key venue through which to pursue the good life, and, as we will see, a sizable percentage of German middle-class supermarket shoppers explicitly link their buying choices to their support for particular ecological and social ideals. Similarly, we find Maya farmers actively engaging and changing the coffee market in Guatemala in pursuit of their particular aspirations for the good life.

Yet the effectiveness of aspiration and agency is often limited by available **opportunity structures** (the social norms, legal regulations, and market entry mechanisms that delimit, or facilitate, certain behaviors and aspirations). The *will* is important, but there also has to be a *way*. Opportunity structures encompass not only market relations but also formal and informal social norms; ethnic, gender, and other systematic distinctions; the principles and practice of legal rights; and the whole range of institutional factors that define the space of the possible. Individual agency acts on choices, but those choices are structured through political-economic processes that transcend the individual (Ferguson 1999; Tsing 2004; Li 2007; Thin 2012).

In situations where agency far exceeds available opportunity structures, we find “frustrated freedom.”<sup>5</sup>

Wellbeing also builds on cultural valuations of **fairness and dignity**. On the one hand, these include basic rights such as freedom from discrimination and exclusion. In a more expansive sense, they also entail the positive value of respect, a sense of being treated fairly. What is considered “fair” varies across cultures, but wherever one draws the line, the respect of others is crucial to subjective wellbeing. Our reaction to what we perceive to be unfair inequalities is almost visceral (de Waal 2009), and this may be magnified by the relational and symbolic values of positional goods (Frank 2010). To the extent that fairness overlaps with greater material equality, it is associated with better health, security, and education (Wilkinson and Pickett 2009). Among Maya coffee growers in Guatemala, dignity is associated with control over land and productive resources, as well as strong social norms that define what is considered fair and just. In Germany, a different sort of dignity is expressed through discourses around the notion of “solidarity” and through the regulatory structures of co-determination.

Many German shoppers say they buy free-range eggs to support the environment and good working conditions, a project they articulate as showing “solidarity.” Maya farmers are explicitly working toward a different future and a better life for their children. In both cases, we see people building meaningful life projects oriented around visions of the good life. Having such **larger purpose** and being part of meaningful projects that go beyond narrow self-interest are central to wellbeing among both the affluent and the poor. What constitutes “meaningful” is defined through cultural values and a sense of purpose based on what matters most in life. This idea overlaps with Alasdair MacIntyre’s (1984) definition of virtue—excellence at a given practice that can range from mastery of a particular skill (a commitment to the trade of carpentry or plumbing, for example) to caring for one’s family to any number of the life projects we use to define ourselves and our character. Nor do meaningful projects need to be what we might consider positive: they encompass hate-group ideology as well as religious fervor, the mastery of a video game as much as mastery of a vocation. Larger purposes have to be meaningful, but their meanings are not determined by any absolute code and span the range of political and social leanings. A Pew Center study reports that extremists on both sides of the political spectrum (hard-core ideologues) express much greater life

satisfaction than do moderates (Brooks 2012); I suggest that this is due to their commitment to a project that gives meaning to their life, regardless of their efforts' success. In pursuing larger purposes and life projects, we improvise, adapt, and even sometimes act against our own better judgment, betraying values we have earlier proclaimed. Yet believing in these projects gives meaning and direction to life.

### *Dimensions of Happiness*

Since the late 1990s there has been a boom of research around issues of wellbeing. In the United States, Germany, and the developed world, this usually falls under the rubric of *happiness studies* and builds on innovative work coming from psychology and economics. For the developing world, a parallel field has emerged through *multidimensional approaches to poverty* and Amartya Sen's influential capabilities perspective on development. While it is telling that we use two different terms to study wellbeing in the developed world and the global South, the overlap in their general findings is most significant.

Happiness studies and multidimensional measures of poverty show that income is crucially important for one's ability to achieve a good life, but alone it is not enough. That is to say that income, wealth, and material resources are necessary but insufficient prerequisites for wellbeing. In fact, increases in happiness level off dramatically after people reach a relatively low income threshold. People need financial and material resources, but not in the proportion we might first imagine. Daniel Kahneman (2011: 397) observes that although being poor usually makes one miserable, being rich does not ensure experienced wellbeing. People who feel they contribute importantly to a larger project, those that possess the agency and power to effect change, are more satisfied with their lives.<sup>6</sup>

Wealthier people are on average happier than poor ones, but there is no neat linear relationship between income and happiness. The Easterlin Paradox holds that in international comparisons average happiness does not rise with average income, although within a single country the wealthier tend to be happier than the poor (Easterlin 2001). Richard Easterlin's findings have been challenged by Stevenson and Wolfers (2008),<sup>7</sup> but it still seems that, at least above a certain point, income is valued relative to the



income of one's peer group and others.<sup>8</sup> Richard Layard (2005: 44) writes that "income is much more than a means to buy things. We also use our income, compared to others', as a measure of how we are valued and (if we are not careful) a measure of how we value ourselves" (see also Gilbert 2005; Veenhoven 2000). Robert Frank (1999) has argued that the ways the affluent tend to spend additional income (on positional goods and conspicuous consumption) adds little to collective happiness. On the other hand, José Juan Vázquez (2013: 1) finds that garbage collectors in León, Nicaragua, "state that they are happy, have optimistic expectations regarding their future, and show a lack of any relationship between overall happiness and income."

Perhaps there is a hedonic treadmill of adapting quickly to upward mobility. (Although, as the recent financial crisis reminds us, adaptation can occur either by adjusting aspirations upward or by adjusting them downward.) This would explain the curvilinear relationship between income and happiness: more income produces proportionate advances in happiness up to a given point. Kahneman (2011: 397) reports that, in households with incomes of \$75,000 and above in high-cost areas in the United States, experienced wellbeing does not increase along with rising income. Kahneman and Angus Deaton (2010) argue that although hedonic happiness is not tightly associated with income, broader measures of life satisfaction do have a linear relationship. Carol Graham (2011) suggests that instability and uncertainty significantly decrease happiness (at a national level in economies undergoing rapid transition, and individually with life changes). But people also adapt more quickly than they think they will to even catastrophic disabilities (such as becoming paraplegic) and great good fortune (such as winning the lottery) (Brickman, Coates, Janoff-Bulman 1978).

### *Development, Income, and the Good Life*

Inspired by the work of Nobel laureate Amartya Sen (1979), a capabilities approach sees the goal of economic development as substantive freedom: the capability of individuals to pursue the life that they themselves value. This pursuit requires income, but (as with the relatively affluent subjects of happiness studies) also agency, the capability to act with intention, to envision and make changes in one's life, to aspire.<sup>9</sup> In this vein, James Foster et al. (2013: 1) define poverty as "the absence of acceptable choices across

a broad range of important life decisions” that results in “a severe lack of freedom to be or do what one wants.”

Income can be a useful measurement of development, and we have long ranked countries by average GNP per head. But such averages are at best imperfect measures of wellbeing. As in Guatemala, they may hide inequality: a country can have a relatively high GNP per capita with the vast majority living in poverty. (In the same vein, if Bill Gates walked into a soup kitchen in Seattle, the average annual income of people there would skyrocket—but that would not tell us much about the distribution of wellbeing among individuals.) In response to the shortcomings of national income measures, and inspired by the work of Sen, in 1990 the UNDP introduced its now widely used Human Development Index (HDI), which incorporates measures of health and education as well as income to measure a more holistic “human development.”\*

The idea of looking at wellbeing in addition to economic metrics to measure the success of public policies has taken hold in Latin America, Africa, and the developing world, as well as in Asia and Europe. The concept of *buen vivir* explicitly informs policy in Bolivia and Ecuador (Gudynas 2011; Fatheuer 2011). China’s overarching policy goal of promoting a “harmonious” society melds Confucian principles with multidimensional measures of wellbeing. Bhutan famously has adopted a gross national happiness index to orient public policy and measure the country’s development in terms of wellbeing. France and Britain too have explored ways to move beyond GNP as a measure of economic and political success (see Stiglitz, Sen, and Fitoussi 2010; and Dolan, Layard, and Metcalfe 2011).

The HDI and other multidimensional measures are a big improvement over GNP rankings, but they remain very blunt measures for overall wellbeing, *eudaimonia*. The Oxford Poverty and Human Development Initiative (OPHI), led by Sabina Alkire, has introduced more holistic measures, focused on what they term the “missing dimensions” of poverty (adapted from [www.ophi.org.uk](http://www.ophi.org.uk)): *Employment* is the main source of income for most households globally; having a good and decent job is usually associated with being out of poverty, however poverty is defined. In addition, employment can give

\* The World Bank defines two categories of poverty in absolute terms: extreme poverty is living on less than \$1.25 a day (in purchasing power parity terms) and moderate poverty at less than \$2 a day (see Ravallion 1994, 2008; Ravallion and Chen 2008).

one a sense of self-respect and a fulfilling life, and low employment quality is a fundamental aspect of individual deprivation. *The ability to go about without shame* addresses the painful effects of discrimination and humiliation cited by poor people and communities as painful components of their deprivation. Shame and humiliation can result in isolation, thereby corroding social relations. *Agency* denotes the freedom to act on behalf of what one values and has reason to value. The opposite of a person with agency is someone who is coerced, oppressed, or passive. Agency recurs as a variable that is of intrinsic and instrumental importance to impoverished communities. *Psychological and subjective wellbeing* are key components of the other dimensions, as well as an end result of their attainment. Moreover, they contribute a richer perspective to our understanding of human experience and values, and particularly the importance of their non-material components. Finally, *Physical safety* is fundamental to ensuring the viability of development gains achieved in areas such as education, health, employment, income generation, and infrastructure provision (see Alkire 2005, 2008; Alkire and Foster 2011; Alkire and Santos 2010; Alkire, Qizilbash, and Comim 2008).

The OPHI missing dimensions are not meant to be an exhaustive list of the conditions of poverty, but they do a good job of covering key areas and possess the great virtue of being practical: these are items that can actually be measured with surveys and available data. While I focus on more subjective qualities, the elements of wellbeing I find in the cases discussed here significantly overlap with the OPHI list. For example, what I label fairness and dignity includes employment conditions and the ability to go about without shame; what OPHI calls agency, I have broken down into aspiration, agency, and opportunity structures.

Robert Skidelsky and Edward Skidelsky (2012) identify seven “basic goods” necessary for the good life. They begin with health, security, and respect, which clearly overlap with the OPHI dimensions; they continue with personality, which maps closely to my dimension of aspiration and agency; and they round out their list with friendship, leisure, and harmony with nature. The Legatum Institute’s Prosperity Index includes eight distinct composite variables, from social capital and personal freedom to governance and the economy ([www.prosperity.com](http://www.prosperity.com)). Martha Nussbaum (2011: 20) offers a more expansive list of what she considers to be the ten central capabilities required for the good life (“not just abilities residing inside a person but also the freedoms or opportunities created by a combination of personal abilities and

the political, social, and economic environment”). Intended as an open and revisable list, Nussbaum’s dimensions extend the scope of wellbeing to include emotions, practical reason, play, and imagination. While harder to operationalize, Nussbaum’s concern with the subjective experience speaks to my focus here on desires, aspirations, and ethnographic conceptions of the good life.

No matter how long the particular list, accounting for the more subjective dimensions of poverty and wellbeing allows us to find correlations we would miss from income and material conditions data alone.

But here is the rub: We may all want to live the good life, but we also differ widely on just what that entails, on what the good life might look like and the best means to get there. Conceptions of the good life are laden with deeply held moral valuations, the various meanings behind a “meaningful life.” Such conceptions are culturally specific and even idiosyncratic, but they share a common concern with *values* (what is *really* important in life) and an orientation toward the future that is not necessarily, or at least not easily, quantifiable.

### *Values, Virtues, and Wellbeing*

For Aristotle, fulfillment comes from pursuing ends for their own sake (not as an instrumental means toward other ends); he argues that there is virtue in the purity and sincerity of such pursuit.<sup>10</sup> For example, it is virtuous of me to write this book because I have a desire to do so (a desire to develop thoughts and express them), but not because I want to make some money (and that is a good thing, too, given the state of academic publishing). Aristotle recognized that we have to have the material resources to enjoy such virtuous pursuits (and this is a very big condition indeed), but his contribution comes from stressing the values that go beyond just material resources. Significantly, he also saw virtue as a disposition of habit, what we might term cultural.

While words like “morals” and “virtues” are often used in popular discourse to denote timeless, essential cultural prescriptions, I use them in a more ethnographic and descriptive sense to refer to those cultural (and psychological/ethical) processes that deal with valuations of what is considered good and bad, better and worse (see also Laidlaw 2002; Sayer 2011). I see moral projects as the product of ongoing processes of socially situated negotiation, continually enacted through the dialectic of everyday social life

and yet strongly conditioned by path dependencies and the weight of history and tradition (Fischer 2001). I draw on the work of Alasdair MacIntyre (1984) and his view of virtue as excellence within the domain of a given “practice,” a perspective that moves away from the universalizing tendencies of cardinal virtues and allows for greater cultural latitude.<sup>11</sup> In such a practice, one finds meaning in larger projects, and culturally salient virtues reference visions and valuations of what the good life could and should be.

The Kichwa concept of *sumac kawsay* (usually translated into Spanish as *buen vivir*), for example, bases its holistic view of wellbeing on the values of “fullness of life in a community” (Gudynas 2011: 442). These are understood to include health, shelter, food, education, and community participation, with an emphasis on environmental harmony and the rights of *Pachamama* (Mother Earth).

### *The Dismal Science and the Good Life*

Moral values inform economic behavior. On its face, this is an unassailable proposition. Think of the often spiritual appeal of consumer goods or the value-laden stakes of upward or downward mobility. Think about the central role that moral questions regarding poverty, access to health care, the tax code, property and land rights, and corruption play in the shaping of modern governments, societies, and social movements. The moral aspects of the marketplace have never been so contentious or consequential (Fischer 2014).

Despite this, the realm of economics is often treated as a world unto itself, a domain where human behavior is guided not by emotions, beliefs, moralities, or the passions but by the hard calculus of rational choices. The fiction that “it’s not personal, it’s just business” is taken as unquestioned fact (Hart 2005). Many economists recognize “the limits of the self-interested, rational actor as a proxy for human decision making” (Goodenough 2008: 228), and the 2008 financial crisis led even true believers such as Richard Posner and Alan Greenspan to question some of their axiomatic principles. Daniel McFadden (a recipient of the Nobel Prize in economics, no less),\*

\* Formally, the economics prize is the SverigesRiksbank Prize in Economic Sciences in Memory of Alfred Nobel, and not one of the prizes endowed by Alfred Nobel, despite being widely known as the Nobel Prize in economics.

writes that, “The neoclassical model of the individualistic utility-maximizing consumer that forms the basis of most economic analysis is largely a finished subject” (2013: 1). But, as Deirdre McCloskey (2002) points out, in economics classrooms, public policy debates and popular discourse, a simplified view of *Homo economicus* and the nature of “free markets” has come to dominate, with explanations of why humans behave as they do focusing on rational, self-interested, utility-maximizing individuals.

There are ethical and political consequences to such models of economic behavior. If humans are assumed to be unwaveringly driven by self-interest, then the economy is best managed by isolating moral questions and concerns. Judging economic behavior and public policy is not a question of good or bad, but rather efficient or inefficient, of how to best maximize utilities (Becker 1996; Becker and Becker 1996; Samuelson 1976). In this view, trade restrictions, national borders, political corruption, religious values, and other such issues are seen as barriers to and distortions of a fluid marketplace. Efficiency is championed as the ultimate moral practice—producing the most goods for the most people (even if distribution is seen to be handled by the fundamental fairness of a “free” market).<sup>12</sup>

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The attraction of the neoclassical approach rests in its parsimony, translating the chaos of everyday life into a metric system of numbers and models. Applying scientific rigor to behavior, economics has come to rely on mathematical modeling based on assumptions about equilibrium and maximization as expressed through utility functions. Textbooks liken the workings of markets to natural forces, distancing the field’s historical roots in philosophy and ethics. Popular books like *Freakonomics*, *Discover Your Inner Economist*, and *The Undercover Economist* convey a message of ethical agnosticism about human behavior (just letting the facts speak for themselves) and fuel the conceit of a brand of economics most closely associated with Milton Friedman, Gary Becker, and the Chicago School.

This trend tragically popularizes a certain variety of economics as the field’s public face at the very moment that economics is witnessing a proliferation of new and innovative behavioral and empirical approaches that not only recognize but embrace the classical model’s anomalies.<sup>13</sup> In fact, economics has a good deal to offer anthropology and the other social sci-

ences, especially in its sophisticated models of preferences and utility maximization, and these new directions in the field open the possibility of a more complicated picture of subjective components of economic behavior, especially moral values, that have long been bracketed in utility functions (see Hart, Laville, and Cattani 2010; Gudeman 2008; Chibnik 2011).

If Adam Smith is the unwitting patron saint of neoclassical free-market economics and *The Wealth of Nations* its Ur-text, his other great work, *Theory of Moral Sentiments*, gives equal weight to the role of morals. McCloskey (2006: 306) sees Smith as a “virtue ethicist for a commercial age.” While he famously claimed that there is a human “propensity to truck, barter, and exchange,” he also saw sympathy as an original part of human nature for both “the civilized and the brutish.” Smith was contemptuous of self-love, and saw sympathy (or “fellow-feeling”), the ability to identify with others, as both a fundamental part of human nature and what keeps in check self-love (if, perhaps, only because injury to another causes sympathetic pain in oneself); his is a moral stance built up from fellow-feeling.<sup>14</sup>

Of course, the flip side of virtue is vice, and greed (or avarice) is one of the West’s deadly sins; for St. Paul and Aquinas it is the root of all evil. Albert O. Hirschman (1977) shows how Smith and other 18th-century philosophers transmogrified the passion and vice of “greed” into the rationality of “interests.” Hirschman (1977: 43–44) writes that “interest was seen to partake in effect of the better nature of each, as the passion of self-love upgraded and contained by reason, and as reason given direction and force by passion. The resulting hybrid form of human action was considered exempt from both the destructiveness of passion and the ineffectuality of reason.”

Shared moral values undergird economic systems, including, and perhaps even especially, anonymous market exchange. As Kenneth Arrow (1974), among others, has shown, trust, loyalty, and honesty have clear economic value and are essential to the efficiency of the economy. Indeed, pursuit of the intrinsic rewards of a value-based system (virtues) is necessary for the workings of free and fair exchange. Businesses would crash if employees only did what they were explicitly told to do (or were explicitly paid to do);

\* Smith also saw a desire to better one’s condition as a human universal that “comes with us from the womb, and never leaves us till we go into the grave.” As with utility, the rub is that there is great variation in what “something better” might mean (see Fischer and Benson 2006).

work-to-rule strikes can virtually stop production when workers simply start following rules to the letter. Economic systems built simply on the enticement of extrinsic rewards often fail in the long run.

Values may also stand in opposition to market relations. Debra Satz (2010) looks at “why some things should not be for sale,” arguing that markets should be organized around explicit principles of justice as well as efficiency. Most folks accept that the prohibitions on selling human organs, sex, and freedom are just and fair incursions on the free market. Richard M. Titmuss (1970) found that paying for blood instead of relying on donations actually decreased the quantity and quality of blood, indicating that people have a deep preference to give rather than sell certain items. And Michael Sandel (2012) points out that often what is most important in life is precisely what money cannot buy. Still, markets are increasingly involved in our lives, even in areas once considered anathema to market logics. Markets are certainly important venues for expressing all sorts of values (from frugality to eco-consciousness to nationalism), but they also help shape those very same values through the suggestions of advertising and the framing of choices.

To reduce moral and cultural values to an individualistic and monetary “utility” is to miss an opportunity to understand the fundamentally social and contextual dimensions of human behavior. That morality matters in ordinary people’s economic decisions and attitudes, and that values and norms are historically particular, is contradicted by market fundamentalists who view moralities and moral beliefs as superfluous, as nothing more than secondary explanations that detract from an objective account of natural laws: “morality represents the way we would like the world to work and economics represents how it actually does work” (Levitt and Dubner 2005: 50).

In fact, how we want the world to work is just as important as how it actually does work in understanding what drives us toward a particular future and what informs visions of the good life.

### *Moral Economies*

Moral and cultural assumptions about what is good and bad, right and wrong, fair and just are inherent in all economic institutions and systems.<sup>15</sup> Most closely associated with the work of James Scott (1977, 1985), “moral economy” often refers to cultural traditions that are subversive to capital-



ist relations, such as moral values about fair prices and economic practices (Thompson 1971; Hann 2010).

For present purposes, I follow Andrew Sayer's (2000, 2004) expansive understanding of moral economy. For Sayer, morals are not external to the market, but internal to all economic orders. This is to say that all economics are "moral" in the sense that they embody and reproduce values. Economic systems are built on assumptions—often taken-for-granted and naturalized assumptions—about what is good, desirable, worthy, ethical, and just. These assumptions are culturally informed and historically particular, even though some actors (say, policymakers, neoclassical economists, or human rights advocates) struggle to codify certain values as "universal."

Put another way, economic systems aggressively promote moral values. Economics are evolving historical systems, and moral values are part and parcel of their normal functioning.<sup>16</sup> Competing values of self-interest and public good are worked out through moral frameworks, often involving the translation of different sorts of values.<sup>17</sup>

Anthropological approaches treat the market as a system shaped from cultural and institutional legacies, treating capitalism as a vernacular phenomenon that must be understood in terms of how economic processes are "embedded" in social networks, local cultures, or political systems (Polanyi 1944; Sahlin 1972; Wilk 1996; Gudeman 2008; Chibnik 2011). The ethics of the economy are formed from the ground up in an ongoing creative process, and market values are tightly linked to identity politics and moral discourses around fairness and dignity. While moral values reflect the accumulation of historical experience, they also orient people to the future, shape a sense of how things ought to be, and define what "better" means. As Appadurai (2013: 293) observes, "it is only through some sort of politics of hope that any society or group can envisage a journey to desirable change in the state of things."

### *This Book and a Positive Anthropology*

The chapters that follow document key components of wellbeing in different cultural contexts. I have divided the book into two parts, the first focusing on Germany and the second on Guatemala, and I begin each with an extended ethnographic example.

Part I (“German Eggs, Cars, and Values”) starts with a look at the odd case of egg purchases in a Hannover supermarket. Because of the prominent labeling regime there (organic, free-range, caged, etc.), consumers are forced to make an ethical choice about social values with each egg purchase, and one with clear material costs. In Chapter 1 we see what Hannover shoppers say about their egg choices, the meanings they embody, and what these say about the good life. Then, in Chapter 2, we look at what consumers actually buy, which is not always the same as what they say they prefer. Doing so allows us to critically analyze the economic distinction between stated and revealed preferences, and to see how stated preferences are attuned to core values and reflect the long-term, pro-social ends so important to wellbeing. Where our goods come from has particular cultural meaning, and Chapter 3 turns to the role of provenance in our valuation of things, focusing on moral provenance and notions of the good life. Pulling back from the ethnographic particulars to how institutional constraints and cultural values play into the formation of uniquely German forms of markets, in Chapter 4 we look at the structural framework of German capitalism—finance, labor relations, and consumer regulations—as well as the ways individuals engage the market economy in pursuit of the good life.

The second half of the book (“Guatemalan Coffee, Cocaine, and Capabilities”) turns first to Maya coffee farmers in highland Guatemala. Working on remote, high-altitude plots, these smallholding farmers have benefited from a global boom in high-end coffee. In Chapter 5, we examine their visions of the good life and how market interactions feed into their sense of wellbeing. These farmers want something more out of life, and they see coffee production as an imperfect but useful vehicle for their aspirations. In Chapter 6, we look at the interaction between their aspirations for the future and the opportunity structures with which they are presented, calling on a capabilities approach to human development. Reporting on the results of economic experiments a colleague and I conducted in two Maya communities, Chapter 7 examines the role of fairness and dignity in economic rationalities. In Chapter 8 I pull back the lens, as I did for Germany in Chapter 4, to give the reader a look at the larger institutional context, examining the role of drug trafficking and endemic violence and their impacts on wellbeing.

Finally, documenting stated preferences and visions of what the good life might look like opens the door onto a “positive anthropology.” In the conclu-

sion, I explore this way of combining cultural critique with non-prescriptive, ethnographically informed positive alternatives that engage public policy debates. If the ends of economics and politics are to have folks live more meaningful and fulfilled lives—and not just increase income and consumption—then we should look to ways to help people realize their longer-term goals and an affluence that is seen in all of its multiple dimensions.

Arjun Appadurai observes a tension between “the ethics of possibility” (of hope, aspiration, desire) and the “ethics of probability” (of systematized rationalities, risk management, and costs/benefits). He calls for a renewed commitment to an ethics of possibility “grounded in the view that a genuinely democratic politics cannot be based on the avalanche of numbers—about population, poverty, profit, and predation—that threaten to kill all street-level optimism about life and the world. [This ethics of possibility should] offer a more inclusive platform for improving the planetary quality of life and can accommodate a plurality of visions of the good life” (2013: 299–300).

. . . .

The approach I take here advocates for studies of economic behavior that work between the “is” and the “ought” of David Hume’s distinction, between how the world can be empirically shown to work (the “is”) and how the competing and diverse value systems that anthropological research documents can be linked to moral reflection about things might be different (the “ought”). In this light, ethnographic understandings of different values—what is the good life, what is the balance of private gain and public good—are a crucial corollary to the study of economics. What counts as a “conclusion” to an ethnographically grounded empirical study of economic behavior can be expanded to include both relevant research findings and more conjectural discussion with an eye toward the future.