

The Good Society according to John Kenneth Galbraith

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THE SOCIO-ECONOMIC events and phenomena which have marked recent years, including the still – in my opinion – unresolved economic crisis, very strongly underline the significance of such issues as ethics, confidence, and dignity. The global crisis has more than demonstrated the fundamental importance of those matters for the world's and individual countries' proper development. Unfortunately, recent events, including the excesses of high finance, provide spectacular proof that ethical and moral issues have largely been marginalised or ignored to make way for the highly symptomatic slogan “greed is good”, which was so graphically presented in the 1987 film “Wall Street”. The negative consequences of this approach are being borne by the world to this day, spawning a heated debate on the features that properly functioning societies should possess. John Kenneth Galbraith (1908–2006) dedicated a lot of space to these matters in his publications. There are few books on economics which, as years go by, lose nothing of their currency, but on the contrary, become even more up-to-date. Almost all of Galbraith's belong to this category, especially “The Good Society. The Humane Agenda”. This demonstrates not only the truth about the economy, but also, partly about us. Even though its first edition went into print more than fifteen years ago, in 1996, with its Polish translation appearing three years later, the Polish Economic Society (PTE) has decided to publish a new edition. At least two factors came into play here: firstly, the huge demand for this work among Polish readers, and, secondly, which also explains the first point, the fact that the book's subject fits very well into the ongoing, at times highly controversial international debate about the condition of the world economy and global society.



The dysfunctions of the contemporary world lead some experts to make somewhat iconoclastic recommendations, including suggestions to “reset the world” (D. Tapscott), thoroughly “rebuild” it (W.M. Orłowski) or to “end this depression” (P. Krugman). The global crisis has laid bare the failings of the global economy and the globally disturbed balance. Hence so many publications on the impact of these dysfunctions, including in particular the costs of the growing income and social inequalities. People are on the lookout for new, more failsafe and less disappointing measures of business, money, quality of life, and human achievements than before.

Galbraith's book features a whole range of very inspiring ideas on this issue. It is already the third book by Galbraith published by PTE. The two previous ones, “Money: Whence It Came, Where It Went” and “Economics in Perspective” are also gaining in relevance. This also testifies to the greatness of J. K. Galbraith as an economist, and all the more so that the value of all

his books, especially the one discussed, are the recommendations, which are still useful. At the same time, the fact that for a dozen-or-so years they were ignored and found to have no application, may with hindsight be seen as a very saddening mistake on the part of economic policy leaders. It is highly probable that if at least some of J. K. Galbraith's suggested actions were put into effect, there would be fewer such pathologies as the still-extant excesses of the finance sector, which remains unimpressed by the painful lesson of the crisis.

Of particular interest, especially in the context of unemployment, which is the plague of the modern world, is Galbraith's observation that nowadays “there has been a significant shift in the preference as between inflation and unemployment. Once unemployment was the controlling fear; full employment was the prime test of economic performance. So it remains in much of the reputable economic expression. But the deeper reality is that inflation is now considered by the most influential part of the modern polity to be the central threat to good economic performance; stable prices are the dominant objective. Unemployment, in this view, has become a price-stabilizing instrument. This reflects a new reality, not often so bluntly described but visibly, even obtrusively, present. The controlling fact is that in the modern economy and polity those who have political voice and influence are more damaged by inflation than by unemployment. Unemployment is suffered by those afflicted and by their families; their pain can readily be tolerated by those who do not experience it” (Chapter 6).

Such observations inspire a more profound reflection about the priorities of socio-economic policy. It is also because of this that Galbraith's works merit attention. ::