

How to Reform Capitalism

The School of Life

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How to Reform Capitalism

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Higher Needs,
a Pyramid
and Capitalism

The idea that capitalism can give us what we need has always been central to its defence. More efficiently than any other system, capitalism has, in theory, been able to identify what we're lacking and deliver it to us with unparalleled efficiency. Capitalism is the most skilled machine we have ever constructed for satiating human needs.

Because businesses have been so extraordinarily productive over the last 200 years, it has become easy to think – in the wealthier parts of the world, at least – that consumer capitalism must by now have reached a stage of exhausted stagnant maturity, which may explain both relatively high rates of unemployment and low levels of growth. The heroic period of development, driven in part by breakthroughs in technology, that equipped a mass public in the advanced nations with the basics of food, shelter, hygiene and entertainment, appears to have been brought up against some natural limits. We seem to be in the strange position of having too much of everything: shoes, dishcloths, televisions, chocolates, woollen hats... . In the eyes of some, it is normal that we should have arrived at this end-point. The planet and its resources are limited, so we should not expect growth to be unlimited. Flat-lining reflects the attainment of an enviable degree

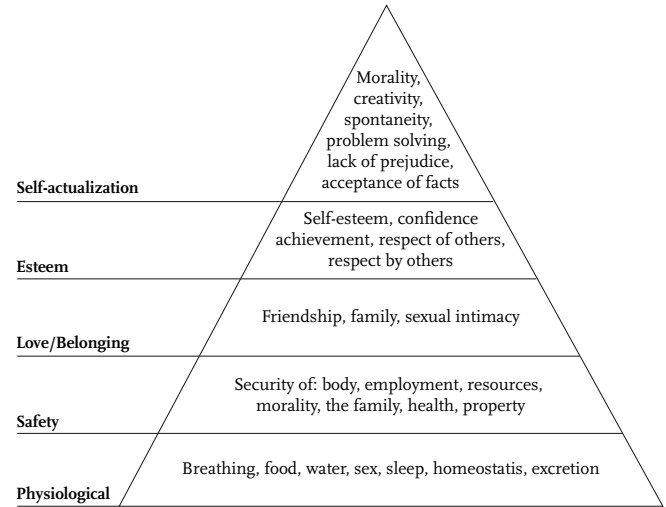
of maturity. We are ceasing to buy quite so much for an understandable reason: we have all we need.

Yet, despite its evident successes, consumer capitalism cannot realistically be credited with having fulfilled a mission of accurately satiating our needs, because of one evident failing: we aren't happy. Indeed, most of us are, a good deal of the time, properly at sea: burdened by complaints, unfulfilled hopes, barely formulated longings, restlessness, anger and grief – little of which our plethora of shops and services appear remotely equipped to address. Given the range of our outstanding needs and capitalism's theoretical commitment to fulfilling them, it would be profoundly paradoxical to count the economy as in any way mature and beyond expansion. Far from it; it is arguably a good deal too small and desperately undeveloped in relation to what we would truly want from it, once we reflect on the full extent of our sorrows and appetites. Despite all the factories, the concrete, the highways and the logistics chains, consumer capitalism has – arguably – not even properly started on its tasks. A good future may depend not on minimising consumer capitalism but on radically extending its reach and depth, via a slightly unfamiliar route: a close study of our unattended needs.

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If a proverbial Martian were to attempt to guess what human beings required in order to be satisfied by scanning lists of the top corporations in the leading wealthy countries, they would guess that *homo sapiens* had immense requirements for food, warmth, shelter, credit, insurance, missiles, packets of data, strips of cotton or wool to wrap around their limbs and, of course, a lot of ketchup. This, the world's bourses seem to tell us, is what human satisfaction is made up of.

But the reality is more complicated. The most concise yet penetrating picture of human needs ever drawn up was the work of the American psychologist Abraham Maslow (1908–1970). In a paper titled 'A Theory of Human Motivation' published in *Psychological Review* in 1943, Maslow arranged our longings and appetites on a pyramid-shaped continuum, ranging from what he called the lower needs, largely focused on the body, to the higher needs, largely focused on the psyche, and encompassing such elements as the need for status, recognition and friendship. At the apex stood the need for a complete development of our potential of a kind Maslow had seen in the lives of the cultural figures he most admired: Montaigne, Voltaire, Goethe, Tolstoy and Freud.



The pyramid of our needs according to American psychologist Abraham Maslow.

If we were to align the world's largest corporations with the pyramid, we would find that the needs to which they cater are overwhelmingly those at the bottom of the pyramid. Our most successful businesses are those that aim to satisfy our physical and simpler psychological selves: they operate in oil and gas, mining, construction, agriculture, pharmaceuticals, electronics, telecommunications, insurance, banking and light entertainment.

What is surprising is how unambitious consumer capitalism has, until now, been about many of the things that deliver higher sorts of satisfaction. Business has helped us to be warm, safe, and distracted. It has been markedly indifferent to our flourishing.

This is the task ahead of us. The true destiny of, and millennial opportunity for, consumer capitalism, is to travel up the pyramid, to generate ever more of its profits from the satisfaction of the full range of 'higher needs' that currently lie outside the realm of industrialisation and commodification.

Capitalists and companies are seemingly – at least semi-consciously – aware of their failure to engage with many of the elements at the top of the pyramid, including

friendship, belonging, meaningfulness and a sense of agency and autonomy. Evidence for this lies in one of the key institutions for driving the sales of capitalism's products: advertising.