

Examination of False Consciousness and the Implications for Ecological Economics

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Introduction

Why would the economically powerless proletariat not raise up against their oppressors? Why does the tide of a mass-consumption economy continue to erode the very foundation of our environment? The answer to both of these questions may be the phenomena Karl Marx described as false consciousness. Though, Marx was attempting to explain why workers would choose jobs over revolt the implications for ecological economics are profound. According to Marx theory, workers behave in a way that they believe to be in their own best interest when in fact they are causing themselves harm. Much in the same way, so-called rational consumers in developed nations are driving their gross domestic products beyond what the ecosystem can support sustainability.

In order to understand this behavior we must first examine the theory of false consciousness as defined by Marx. The behavior in this theory is better understood when we look at two models that help defined the phenomenon. The first is describes key factors that give rise to false consciousness. The second illustrates the various types of motivations driving decisions. Lastly, we will explore the implications of false consciousness for the environmental sustainability movement and more specifically the theories put forth by ecological economist.

Marx's False Consciousness

Marx had long predicted the collapse of capitalism. The oppressed masses would rise up and take control of the factors of production and demand equitable distribution of wealth. When capitalism continued unchecked a theory of behavior was needed to describe what would happen if Marx was correct and the proletariat did not revolt. The term false consciousness was coined by Engels to succinctly describe Marx's ideological views. The following passage in a letter to Franz Mehring from Engels describing Marx and Engels' work "The German Ideology" defines the term:

Ideology is a process accomplished by the so-called thinker consciously; it is true, but with a false consciousness. The real motive forces impelling him remain unknown to him;...Hence he images false or seeming motive forces.¹

A further explanation of the phenomenon by law professor Richard Delgado writes, "the term 'false consciousness' refers to a phenomenon in which the oppressed come to identify with their oppressors, internalizing their views, and thus appear to consent to their own subordination." False consciousness exists whenever the degree of misunderstanding is so great that people mistake social arrangements that actually harm them as being ones that benefit them.

Understanding the how and why of false consciousness requires an examination of the economics of information. One must assume that large numbers of people never learned a critical set of information, which defines the situation that brings them harm without their knowledge. An explanation is the concept of rational ignorance. The heart of rational ignorance is the recognition that knowledge is not only valuable but also costly.

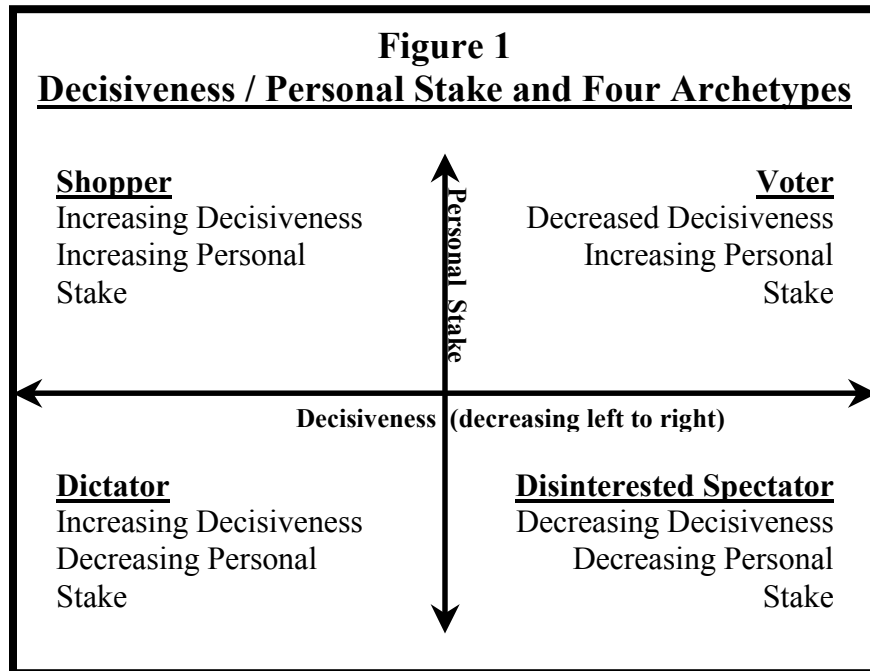
Rational ignorance implies that people will invest resources in acquiring and carefully processing information when the stakes warrant doing so. But rational ignorance also implies the converse: a person will acquire less knowledge about some event (1) the lower his or her influence over the outcome of that event is and (2) the lower his or her stake in the outcome of that event is. (Boudreaux, 2003)

This creates the situation Brain Caplan describes as “rational irrationality”. In this state when people have no incentive to gather and process information rationally they will chose to indulge personal prejudices. They do so because their irrational behavior exist in what they believe to a low-consequence environment.(Caplan) The cost of information is high and the perceived consequence of making a less than informed decision is low. In this satiation it becomes rational to act irrationally.

The Boudreaux Model

Donald Boudreaux and Eric Crampton attempted to create a relevancy test for the existence of false consciousness in their article “Truth and Consequences, Some Economics of False Consciousness” which was published in the Independent Review, Summer 2003. Their goal seemed to be to dispel the “liberal left’s” application of false consciousness to any situation that they deemed unjust. In order to explain the decision process they created a matrix (Figure 1) to illustrate the relationship between decisiveness and personal stakes.

Decisiveness is defined as the ability to assign appropriate cost of information and acting on it in a careful and responsible manor. Personal stakes are the consequences of action or inaction based on the information available. The horizontal axis represents the spectrum of decisiveness, greater on the left and weaker on the right. The vertical axis represents the degree of perceived personal stake, greater on the top than on the bottom.



The decision characteristics of the Shopper in the upper right hand corner are those that are most likely to gather information and to exercise careful and prudent judgment. These decision makers are the only group who makes rational decision. The shopper is able to accurately ascertain not only the cost of information but their stake in the decision as well. All of the remaining individuals lack either the decisiveness or person stakes of the shopper.

Though the Voter in the upper right hand corner still recognizes a high personal stake in the outcome of the decision these individuals have relegated their decisiveness to others. They have incorrectly valued the value of information and so they pass the decision-making ability on to others. Much like voters in a democratic society, these individuals do not have the time or the inclination to research every policy issue and trust that their elected representatives will act in their best interest.

The Dictator is the polar opposite of the voter. These individuals have no personal stake in the decision but the power to make them. An example of a dictator by this definition would be agency such as the Federal Drug Administration. Assume that the Director of the FDA does not have any personal interest in the approval of a new male contraceptive. Her act of denying approval for over the counter distribution would be an act of high decisiveness and little or no stake.

Last and not least is the Disinterested Spectator. These individuals act on less than perfect information and do not feel they have a personal stake in the outcome of their decisions. This group is what Marx would refer to as the economically powerless. They not only have devalued information but they do not fully comprehend their personal stake in the decision process.

The Boudreaux model does a fair job of illustrating to key factors that give rise to false consciousness. Clearly, information and choices that have been arrived at after much deliberation and care will minimize the incidence of false consciousness. Similarly, factoring in the perception of personal stake in the decision is also key. Unfortunately, the degree personal stake and decisiveness only captures part of the dynamic of the false consciousness phenomenon. Examination of motives is critical to achieve a more complete understanding.

The Meyerson Model

Denise Meyerson in her work “False Consciousness” developed a model to illustrate the dynamic motives that effect not only our willingness to assess the value of information but also determine our perceived personal stake. Meyerson states:

...false consciousness presupposes that what is good for people is both a factual matter and independent of their desires. Surely, it may be objected, if what is good for you does not coincide with what you want, that must be because what is good for you does is an objective matter.

The foundation of this model is an understanding of the relationship between interests and beliefs as well as wants and desires. Interests are goals that are moral or for the greater good. They are also supported by the notion of beliefs or convictions. Beliefs are founded in an understanding of that which is greater than oneself. This can be manifested in spiritual terms but is not limited to spirituality. Interests are counter balanced by wants, which are an expression of self-interest. Driven by desires wants rarely consider that which is for the greater good. Various combinations of these factors shape four motivations for behavior.

Figure 2

	Interest are want independent	Interest are want-based	Wants are interest-based
Prudential judgments express beliefs Perception of interest is not necessarily practical	Reductionism		True want theory
Perception of interest is necessarily practical	Realism		
Prudential judgments express desires		Subjectivism	

The first pair of motivations is Reductionism and Realism. Both of these cases describe the decision in which interests are want independent. That is to say the motivation for the decision is for the greater good not for personal gain. This notion is further supported by the judgments expressed by beliefs. The difference between Reductionism and Realism is the practicality of the outcome. An example of Reductionism might be the solution for just distribution of wealth as equal distribution to all members of society. Though, one might believe this supports the subordination of individuals' needs for the greater good, it may not be practical. Realism would see the question of equal distribution in terms of a greater marginal tax rate for the very rich, thereby, achieving a more just distribution in a realistic manner. The key factor for both Reductionism and Realism is the absence of desire. These motivations are founded in beliefs and a need to serve the greater good rather than the individual.

The motivation type that most closely resembles false consciousness is Subjectivism. Here we have interests that are want based and judgment is clouded by desires. The need of the greater good is secondary to self-interests. Subjectivism parallels the principal of capitalism that consumers acting in their own best interest will have an aggregate benefit to society as a whole. Each actor is blinded by their own desires though they may in fact believe they are acting in the best interest of the collective. Just as with false consciousness misguided desires may seem to be beneficial but in fact are harmful.

An example of subjectivism would be the purchase of a sport utility vehicle. Actors blinded by their desire to own what they perceive to be a safer car. They fail to see the facts regarding the actual safety of these vehicles and discount the detriment to the environment. Clearly, this decision is based in desire and want rather than concern for the greater good.

In extraordinary cases motivations may be characterized by the final motivation type, which is True Want Theory. Meyerson states:

True want theory asserts that agents whose goals and aspirations have been corrupted by ideological influences do not 'truly' or 'really' want what they think they want, the underlying idea being that you only want what is in your interest to get or what is [truly] good for you.

Put another way, you only want what's in your interest. Wants in this case are not supported by beliefs as opposed to desires. Therefore the greater good is substituted for self-interest. Actors desire that which benefit all as well as themselves. An example would be the desire to have a small house with few possessions on a plot of land with a large portion of green space. The desire to have less rather than more serves the personal wants as well as the greater good. Though this theory may sound far-fetched ecologic economics depends on this concept. In order for scale and just distribution to supercede market efficiency the desire must be transformed. The fuel that will drive the sustainable economic engine will be true want theory economy not Subjectivism.

Implications for False Consciousness

If we now look at the extremes of both the Boudreaux and Meyerson model we can understand the implications for false consciousness for ecological economics. The direst case of false consciousness is the Disinterested Spectator motivated by Subjectivism. The actor sees no value in acquiring information, makes careless decisions that are motivated by desire and want. Though, Marx was speaking in terms of one class taking advantage of another it is not difficult to apply this notion to the obsession with growing GDP. The vast majority of consumers in developed nations believe that GDP growth is essential. They are misunderstanding their choices by not factoring in scale or allocation. The social arrangement they are living under is not only harmful to themselves but also to the environment and future generations. Clearly, the obsession with GDP growth is motivated by a lack of information and careless decision making that does not consider the interest of the greater good.

One explanation for consumer's behavior is what Marxist refers to as the proletariat losing sight of its interest to the extent that its aims and aspirations are contaminated by the ideology of the bourgeois class. This is a distinct challenge for just distribution of wealth and explains why the masses are against high marginal tax rates for the wealthy. Just allocation of wealth will only be brought about when aspirations and desires are changed. No longer will bigger and more be the measures of the bourgeois class. Smaller, durable, and sustainable will be marks of the enlightened elite of society.

The realization of ecological economic theory may depend on a society made up of Shoppers as defined by Boudreux and motivated by true want theory. These rational actors are naturally drawn to sustainable scale and just allocation. They think in broad terms beyond their own self-interest. The desire to consider the well being our planet and each other will be foundation for ecological economics.

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