

fashionable new cars," he will assume that a lawyer driving a battered car "is not much sought after." Such a client is likely to take his business elsewhere.

Notice, however, that when consumption serves to signal abilities, the distinction between consuming to demonstrate one is as good as others and consuming to show one is better — and between either of these and consuming simply to convey information — begins to blur. Insofar as a person is attempting to convey information about his abilities, he is saying, "I have these traits, these talents, I am *this* good . . . so hire me." His consumption serves the useful function of providing information about himself. But he is also trying, in a competitive world, to obtain a scarce commodity.

Similar complexities may arise in any competitive setting. It seems clear, for example, that many consumption choices — including consumption of non-material goods such as education — are motivated by situations where, if you don't move ahead, you fall behind. In such cases, the decision *not* to acquire more of a particular good is not simply a decision not to improve one's well-being; it is in effect a decision to lower it. When high school diplomas are a dime a dozen, employers will start to require college degrees; even if the additional education is not necessary to do the job, it serves as a sorting device. When college degrees are a dime a dozen, employers will require MBAs or law degrees. As Fred Hirsch puts it, when everyone stands on tiptoe, no one sees any better. But

Rising Consumption, Unchanging Needs

According to many commentators, one of the central dynamics of mass consumption societies is a constant escalation in our sense of what we need. Advertising and emulation of others, it is argued, play a key role in the never-ending inflation in our conception of what constitutes decent food, clothing, housing, and so forth.

However, in trying to understand how and why levels and patterns of consumption have changed over time, we would do well to consider a second hypothesis: that much of the rise in our consumption expenditures has simply gone towards meeting the same needs we have always had — needs for safe housing, transportation to work, care of children, and so on — but that the real cost of meeting these constant needs has grown.

To see how this might occur, consider a fundamental need that applies to every family: the need to live in a safe neighborhood. In the United States, the decay of urban centers and the growth of urban street crime has meant that, for many people, the need for safe housing can only be met if they move to the suburbs or to a few select neighborhoods. In response to increased demand, housing prices in these areas have gone up. In turn, transportation costs have risen for people who must now get

around in and to and from suburban neighborhoods. Over the past sixty years, the amount that Americans spend on transportation has increased about 600 percent in real terms. Much of this increased spending should not be viewed as luxury spending or even as an escalation of standards; it simply reflects the higher cost of meeting an unchanging set of legitimate needs.

Clearly, the need for safe housing presents not so much a construction problem as a social reclamation problem — one that goes to the issues of crime, unemployment, and the deterioration of public schools; of urban decay and institutionalized racism. Acquiring the resources to address such issues, however, may well require more, not less, economic growth. In countries such as our own, isolated individuals, through heroic personal efforts, may find their way to the simple life. However, to reopen the possibility of simple living for the population as a whole, major public investment and a complex social agenda may be required.

— Jerome M. Segal