

The essential, the useless and the harmful (part 2)

By [Eloi Laurent](#)

How do we know what we can do without while continuing to live well? To clarify this sensitive issue, economic analysis offers a central criterion, that of the useful, which itself refers to two related notions: use and utility.

First of all, and faithfully to the etymology, what is useful is what actually serves people to meet their needs. From the human point of view, then, something is useless that doesn't serve to meet people's needs. Amazon [announced on March 17](#) that its warehouses would now store only "essential goods" until April 5, and defined these as follows in the context of the Covid-19 crisis: "household staples, medical supplies and other high-demand products". The ambiguity of the criterion for the useful is tangible in this definition, which conflates something of primary necessity and something that emerges from the interplay of supply and demand. While giving the appearance of civic behaviour, Amazon is also resolutely in line with a commercial perspective.

Furthermore, this first criterion of the useful leads into the oceanic variety of human preferences that punctuate market movements. As Aristotle recalls in the first chapter of the [Nicomachean ethics](#), the founding text of the economics of happiness written almost two and a half millennia ago, we find among individuals and groups a multiplicity of conceptions of what constitutes a good life. But contrary to the thoughts of Aristotle, who erected his own concept of happiness as well-being that is superior to others, it is not legitimate to prioritize the different conceptions of a happy life. Rather, a political regime based on liberty is about ensuring the possibility that the greatest number of “pursuits of happiness” are conceivable and attainable so long as none of them harms others.

But the Aristotelian conception of happiness, which emphasizes study and the culture of books, is no less worthy than any other. Are bookstores, as professionals in the sector argued at the start of the lockdown in France, essential businesses just like earthly food businesses? For some, yes. Can they be considered useless at a time when human existence is forced to retreat to its vital functions? Obviously not.

Hence the importance of the second criterion, that of utility, which not only measures the use of

different goods and services but the satisfaction that individuals derive from them. But this criterion turns out to be even more problematic than that of use from the point of view of public policy.

Classical analysis, as founded for example by John Stuart Mill following on from Jeremy Bentham, supposes a social welfare function, aggregating all individual utilities, which it is up to the public authorities to maximize in the name of collective efficiency, understood here as the optimization of the sum of all utilities. Being socially useful means maximizing the common well-being thus defined. But, as we know, from the beginning of the 20th century, neoclassical analysis called into question the validity of comparisons of interpersonal utility, favouring the ordinal over the cardinal and rendering the measure of collective utility largely ineffective, since, in the words of Lionel Robbins (1938), "every spirit is impenetrable for every other, and no common denominator of feelings is possible".

This difficulty with comparison, which necessitates the recourse to ethical judgment criteria to aggregate preferences, in particular greatly weakens the use of the statistical value of a human life ("value of statistical life", or VSL) in efforts to base collective choices on a cost-benefit monetary analysis, for

example in the area of environmental policy. Do we imagine that we could decently assess the “human cost” of the Covid-19 crisis for the different countries affected by crossing [the VSL values calculated, for example by the OECD](#), with [the mortality data compiled by John Hopkins University](#)? The economic analysis of environmental issues cannot in reality be limited to the criterion of efficiency, which is itself based on that of utility, and [must be able to be informed by considerations of justice](#).

Another substantial problem with the utilitarian approach is its treatment of natural resources, resources that have [never been as greatly consumed by economic systems](#) as they are today – far from the promise of the dematerialization of the digital transition underway for at least the last three decades.

The economic analysis of natural resources provides of course various criteria that allow us to understand [the plurality of values](#) of natural resources. But when it comes to decision-making, it is the instrumental value of these resources that prevails, because these are both more immediate in terms of human satisfaction and easier to calculate.

This myopia leads to monumental errors in economic choices.

This is particularly the case for the trade in live animals in China, which was at the root of the Covid-19 health crisis. The economic utility of the bat or the pangolin can

certainly be assessed through the prism of food consumption alone. But it turns out both that bats serve as storehouses of coronavirus and that pangolins can act as intermediary hosts between bats and humans. So the disutility of the consumption of these animals (measured by the economic consequences of global or regional pandemics caused by coronaviruses) is infinitely greater than the utility provided by their ingestion. It is ironic that the bat is precisely the animal chosen by Thomas Nagel in a [classic article from 1974](#) aimed at tracing the human-animal border, which wondered what the effect was, from the point of view of the bat, of being a bat.

Finally, there appears, halfway between the useless and the harmful, a criterion other than the useful: that of “artificial” human needs, recently highlighted by the sociologist [Razmig Keucheyan](#). Artificial is understood here in the dual sense that these needs are created from scratch (especially by the digital industry) rather than spontaneously, and that they lead to the destruction of the natural world. They contrast with collectively defined “authentic” needs, with a concern for preserving the human habitat.

At the end of this brief exploration, while it may seem rather difficult to determine the question

of useful (and useless) well-being, it nevertheless seems...
essential to
better understand the issue of harmful well-being. This will
be the subject of
the last post in this series.