

Economics, Ethics and the Quality of Life

*Dr.Seema Sharma**

ABSTRACT

It is true that it is no part of the function of a positive science to pronounce ethical. Judgments, but even a positive science cannot neglect the fact that moral considerations often effect man's conduct in business life, and must be given a place in the same manner as the facts of physical nature which also condition economics activity. But the relation is much closer in passing to applied economics. There was even a prevalent idea that the two were in conflict and that and that an elastic conscience was an economic virtue. The inter mixture of ethical and economic consideration need not lead the economist into the deeper controversies that life entirely beyond the scope of this science. Hence economics should also be fruit bearing science. Ethical considerations should play a large part in economic analysis. The dominant aim of economic in the present generation should be to contribute to a solution of social problems. In the contest of today's ecological problems and unlimited consumerism, it may not be out of place to recall what Mahatma Gandhi one said. The earth has enough for every one's need but not for every one's greed. Ethics has role to play in designing development that enables people to live happily in tension-free polity end in harmony with others in the community and with nature.

Economic is basically descriptive, explanatory and predictive science training. Economics helps man to understand the world in which he lives and as a citizen to participate intelligently in debates on public issues. The normative aspect of economics suggests a very close relationship between economics and ethics. There is an economics ought and hence all economic activities somehow or the other get colored by ethical consideration. When for example we discuss production and distribution we must ideas steadily in view. In this article we suggest that moral and social issues should assume an important place in economic discussion and policies.

To understand this in proper perspective we must have in mind the relation of economic circumstance to social and moral thought. In an economically poor society the relationship is found very strong but the richer societies also continue to assume that economic condition must be the dominant influence on social thinking and action, this result the disinterestedness towards moral and social problems affecting there by the quality of life. In economically poor societies economics considerations not only dominate social attitudes, they also rigidly specify the problems getting priority. But when people generally experience improved economic well being, there is general loosening of the grip of economics on their social attitudes. Economics also retains its grip on social attitudes because of compassionate appeal to the problem of

unemployment and racial and social advantage. Economics goals remain important for the vacuum they fill. A society must have a purpose. A highly tangible purpose is to produce goods for private consumption. If the problem is the quality of life in the economic society, it will matter a great deal how the expansion of demand is managed. Improvement is needed in public services, given the tendency imbalance, may be strong helpful factor in improving the quality of life, in a democratic free economy.

Ethics studies values and virtues. A value is a good to be achieved or a standard of right to be followed, while a virtue is a character trait that enables one to achieve the good or act rightly. For example, a list of core goods might include wealth, love, and freedom. A corresponding list of virtues—or character traits—might include the productiveness that enables one to achieve wealth, the honesty that enables one to enjoy loving relationships, and the self-responsibility that enables one to live in freedom. Ethical issues connect intimately with economic issues. Take the economic practice of doing a cost-benefit analysis. You could spend one hundred dollars for a night on the town, or you could donate those one hundred dollars to the reelection campaign of your favorite politician. Which option is better? The night on the town increases pleasure. A politician's successful campaign may lead to more liberty in the long term. We regularly make decisions like this, weighing our options by measuring their likely costs and likely benefits against each other.

This connects economics directly to a major issue in ethics: By what standard do we determine what counts as a benefit or a cost? A list of competing candidates for the status of ultimate value standard includes happiness, satisfying the will of God, long-term survival, liberty, duty, and equality. If ethical consideration are neglected the quality of life decided would suffer. There is a constant conflict between social well being and economic well being.

WELFARE ECONOMICS AND ETHICS

Welfare economics is the branch of economics relating to the evaluation of social desirability of alters native policies. The first attempt at distinction and definition of welfare was made by A.C Pigou in his economics of welfare (1932). He expressed the opinion that human welfare depends upon so many factors that an investigation of all the cause affecting general welfare is a task so enormous and complicated as to make the whole attempt formidable. The main purpose of welfare economics is to establish some satisfactory criterion of finding out whether welfare has increased or decreased and on that basis to judge the desirability or other wise of economic policy measures. Social welfare is the aggregation of the welfare of the individuals constituting a society. The central problem of welfare economics is how to derive the social welfare function from the individual welfare functions. To be able to do this, the welfare economist has to decide as to how

the individual welfare functions are to be aggregated.

RELATION BETWEEN ECONOMICS AND ETHICS

Economics must be used as tool for social reform. Economics, like others is concerned with goods that are with things having value with reference to certain human ends. But while the goods with which ethics deals are those acts which are the conditions of the highest end of life economics goods are merely those objects, which are the means of satisfying any human want. It follows that it we are really to understand the worth of economic goods we must consider them in close relation to ethical good. Food, clothing and shelter end the like are economic goods and serve a variety of purposes connected with the betterment of the quality of life. The worth of the good will depend on the importance of these ends. Now the importance of their ends can be ascertained only by observing their relation to the supreme end of our lives. Generally recognized that the two sciences of ethics and economics must be brought closer to one another at least if economics is to be treated in any degree as normative and economics is to be treated in any degree as normative and practical. It is true that it is no part of the function of a positive science to pronounce ethical. Judgments, but even a positive science cannot neglect the fact that moral considerations often effect man's conduct in business life, and must be given a place in the same manner as the facts of physical nature which also condition economics activity.

But the relation is much closer in passing to applied economics. There was even a prevalent idea that the two were in conflict and that an elastic conscience was an economic virtue. The inter mixture of ethical and economic consideration need not lead the economist into the deeper controversies that lie entirely beyond the scope of this science. Hence economics should also be fruit bearing science. Ethical considerations should play a large part in economic analysis. The dominant aim of economic in the present generation should be to contribute to a solution of social problems.

In the context of today's ecological problems and unlimited consumerism, it may not be out of place to recall what Mahatma Gandhi once said. The earth has enough for every one's need but not for every one's greed. Ethics has role to play in designing development that enables people to live happily in tension-free polity end in harmony with others in the community and with nature.

PRICE ETHICS:-

Rising prices create instability racketeering lack of confidence end helplessness. The consumer feels victimized. The general impression is that business is by and large responsible for the rising prices. High cost of labor management and administrative establishment on the one hand and high cost of raw materials transporting and marketing on the other are generally put forward as reasons for rising prices. The fact remains that hoarding play an important role and artificial

scarcity is deliberately created.

It is a part of the ethical responsibilities of business to ensure the goods are available at a fair, reasonable and relatively stable price at the time when consumers need them, and take wise steps in advance to minimize the fluctuations in price due to scarcity in production and seasonal imbalance between supply and demand.

Price control is a difficult economic problem particularly in a country like India with vast distances and varied condition of production labor and marketing. Government has a large ethical responsibility for price control should take certain broad step such as setting up a higher target of production stabilizing the import and export policy, controlling artificial shortage with firm actions both legally and economically against the holders, removing all restrictions on movement of good from one part of the country to the other subject to the basic local requirements not allowing the prices of articles of necessity of mass consumption to vary above certain limit, maintenance of fair supply at all costs, prevention of hoarding by both legal and economic measures etc. to control the rising prices. Here again the role of competition and enterprise cannot be neglected. It must be recognized that competition driven by the desire for greater profit, itself tends to lead to greater reliability, higher quality and better services, because acquiring the reputation for these qualities will increase someone's business relatively to others. The conclusion is that competition and profit motive are not totally undesirable, but that they must be tempered by ethical consideration.

**Lecturer,*

S.S.Jain Subodh P.G. (Autonomous) College, Jaipur

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