Quality of Life: Efficiency, Equity and Freedom in the United States and Scandinavia

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ABSTRACT: The article discusses three basic elements of quality of life and seeks to illuminate these from two cultural perspectives. The elements are 1) social equity (including issues like virtues, justice, fairness, equal moral value, human rights, resource ethics etc. and 2) efficiency (including issues like economic efficiency, productivity, material well being, etc.) 3) freedom (including liberty, pursuit of happiness, individual choice, exit and voice options, etc.). Concerns for social equity, efficiency and freedom are at the heart of the political debate in many countries. In this article, we will look at some of the ways in which the Scandinavian cultures and the American culture view these basic elements of quality of life. It is argued that social equity drives efficiency and freedom of choice.

INTRODUCTION

To ask an individual if his needs are satisfied gives no picture of the real quality of life of the individual, except a picture of how efficient the social mechanisms are that surround the individual, when it comes to adjust his or her level of ambition. (Johansson, 1968/1970)

If we are to depart from the general holistic satisfaction measures of quality of life, we need to develop a theory of quality of life with associated constructs and variables. As we move across different individual preferences—different stages in the family life cycle, different social positions, different occupations, different

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degrees of wellness, different religions, different cultures—the construct will include different variables as well as different weighting of those variables. Additionally, we may focus on different variables depending on what discipline it is that conducts the inquiry. It is therefore hard (impossible) to arrive at one unifying theory of quality of life—and we shall have to be content with several.

The purpose of this article is to look at three basic elements of quality of life and seek to illuminate these from two cultural perspectives. The elements are 1) social equity (including issues like virtues, justice, fairness, equal moral value, resource ethics, human rights, etc. and 2) efficiency (including issues like economic efficiency, productivity, material well being, etc.) 3) freedom (including liberty, pursuit of happiness, individual choice, exit and voice options, etc.). Concerns for social equity, efficiency and freedom are at the heart of the political debate in many countries. For the purposes of this article we will look at some of the ways in which the Scandinavian cultures and the American culture view these basic elements of quality of life.

Whereas the material standard of living is similar in the United States and in Scandinavia, there is a big difference in the role and the relative size of the public and private sectors. This may be due to different interpretations of the concept of social equity in the two cultures. There is a strong appreciation of freedom in the two cultures; however, the social democratic cultures of Scandinavia may be more focussed on making sure its citizens have the resources needed to have real choices, whereas the American cultures may focus more on removing obstacles for individual choice. Both cultures are concerned with material well being, i.e. economic efficiency, but the Scandinavians may not view it as necessary to trade off social equity in order to achieve efficiency quite as much as what one might do in the American culture.

**PHILOSOPHY**

No paper can give a complete summary of what moral philosophy has to contribute to our understanding of “quality of life.” However, it is useful to select a few of the traditions and theories from moral philosophy in order to understand a) some of the fundamental constructs in quality of life and b) show some of the cultural differences in quality of life between the United States and Scandinavia. These include virtues, rights and justice, utilitarianism and a resource based perspective.

**Virtues**

The conceptualisation of a “good life” has occupied philosophers and religious scholars through history. From the Aristotelian tradition we get the ideals of the different virtues as variables in a theory of quality of life to enable us to “flourish” in our lives. The key virtues are temperance, courage, prudence and wisdom, the
most important of which was wisdom. Aristotle assigns to politics the task of bringing these conditions to people: the good political arrangement is one "in accordance with which each and every one might do well and lead a flourishing life" (from *Politics*, 1324a 23-25 as cited by Nussbaum, 1994). Cultures or societies which are supportive of- and contain these virtues are believed to provide their members with superior quality of life compared to cultures in which these virtues are less prevalent.

A number of virtues have emerged as prerequisites for a good society and for a good and flourishing life, like goodness, honesty, kindness, faithfulness, trust, solidarity, fairness, love, forgiveness, loyalty, etc. We seldom discuss virtues or describe people or cultures as particularly virtuous, but we quickly see the problems caused by agents wanting in virtues. People or institutions who appear to be evil, dishonest, unkind, deceitful, selfish, unfair, incapable of love or forgiveness and disloyal constitute a threat to social equity and will clearly affect the quality of life for the individual as well as for society as a whole. Without trust for example, transaction costs between individuals and organizations rise as one must always suspect opportunism, cheating and shirking. This allows for less freedom of choice. The cost of conflict resolution in terms of emotional strain, time and money will also be high.

Violation of the most basic of virtues are criminal, and crime reduces quality of life. Yet statistics on crime only capture a small fraction of the full richness implied in virtue ethics. In relatively homogeneous cultures, it is expected there will be more of an agreement about what virtues are relevant and about the importance of each virtue. This will present people with less uncertainty and more confidence in their environment, and more degrees of freedom in the conduct of their daily lives.

**Rights and Justice**

From many of the stories in the New Testament we are informed of the immorality of looking down upon and degrading our fellow human beings, be they tax collectors, second class people like the Samaritans, the poor, foreigners, enemies, children, thieves, prostitutes or prodigal sons. All are created in God's image and are equally worthy. Rousseau (1755) described the many ways in which people are different in his "Discourse on the Origin of Inequality." There are numerous ways in which we can rank and differentiate people. This is precisely why we have no other choice than to declare that we are all of equal moral worth. In the U.S. Declaration of Independence (1776), this most fundamental insight is presented as self evident. There are no acceptable alternatives to this formulation; all people must be treated as equals from a moral viewpoint. Any attempt at dividing people into first, second or third class citizens with different rights is morally wrong. This is a basic prerequisite for quality of life. The victims of slavery, gen-
der or age discrimination, segregation or caste systems will attest to this. Thus measures of quality of life must assess this dimension.

Related to the equality issue is the issue of equal rights and liberties; or access to the most extensive set of rights and liberties commensurate with equal rights and liberties for all (Rawls, 1971). The French declaration of human rights or the Bill of Rights contained in the U.S. Constitution—(both from 1789)—contain the best of the thinking at that time. Later, the U.N. elaborated on these rights in its own Universal Declaration of Human Rights signed by the member states in December, 1948. In addition to the rights to vote, to free speech, assembly and the like, some of the human rights documents specify rights to nutrition, minimum health care, etc. How far should one go in granting rights? To what extent do they place moral claims on global institutions? (Pogge, 1995). Is it acceptable that rights, liberties and duties vary from one culture to the next? An assessment of the presence or absence of rights belongs in a study of quality of life on a societal and an individual level. Not only is it necessary to assess whether these rights exist in principle, but also if it is a reality for the individuals in a particular culture. Without resources (education, health, income, etc.) the freedom to pursue one’s own brand of happiness is meaningless, as there are hardly any choices available.

In the context of equity, we need to look at the whole regime of rights in order to assess the quality of life available to a person in a given culture. Presumably, countries with an extensive regime of rights—perhaps along the U.N. definition—and an equal distribution of these rights—will be more equitable and fair than countries with fewer rights not available to all.

Related to the equal rights principle is the concept of justice. Justice is based on equality before the law and before other institutions in our society, and it is an important part of equity or fairness. Justice may also require us to treat people differently, such as treatment of criminals versus treatment of non-criminals. However, whenever one deviates from equal treatment, it must be justified as legitimate differential treatment—or “just discrimination.” Some things should be distributed to all in (a) equal measure—such as one person, one vote—or equality before the law or equal rights. Some things should be given to those with (b) special needs like education for children, health care for the old or access ramps for users of wheel chairs. Some things should be distributed based on (c) effort, such as praise to the young or salary for some kinds of employment. Finally, some things should be distributed based on (d) performance (see consequentialist ethics, utilitarianism) like gold medals in a sports event, grades in school or perhaps salaries of sales personnel.

There can be differences in determining what constitutes a just distribution principle for certain goods from one culture to the next. Should health, defined as physical, mental and social well being (Breslow, 1972), only be provided to those who can pay (d—above), or to all who are in need regardless (b—above) or some combination of these two principles? Should a minimum of education and nutri-
tion be distributed to all regardless? One answer is provided by Rawls (1971) in that inequalities should be arranged so that the group that is worst off—is as well off as possible. We should maximize the welfare of the worst off group; that is, if we are to assess the quality of life in two societies, we should compare the situation for the poorest groups; say the poorest quintile.

Another issue in the area of justice has to do with our institutions (Rawls, 1971); the laws, regulations and incentives in our society and the resulting distribution of social primary goods. “Just institutions” are those that promote “Good” outcomes, such as a) survival, b) equal moral value for all people and c) the maximin principle of distribution of index goods (Falkenberg, 1996). Thus a further analysis of quality of life would imply an analysis of the main institutions in a culture to see the degree to which they promote goals commensurate with some notion of “the Good.”

Fundamental equity, that is basic (human) rights and justice are cornerstones for any society and are a necessary foundation for quality lives.

**Utilitarianism and efficiency**

Utilitarianism as a moral philosophy contains explanations of human behavior (rational man in pursuit of own interests), recommendations for politics (maximize total happiness) as well as what to measure in terms of pleasure and pain in order to calculate happiness.

The principle of just distribution based on performance (“d” above) follows from the basic moral guideline underlying utilitarianism expressed by John Stuart Mill:

...actions are right in proportion as they tend to promote happiness, wrong as they tend to produce the reverse of happiness. By happiness is intended pleasure, and the absence of pain; by unhappiness, pain and the privation of pleasure. (Mill, 1863-1871. pp. 1119)

The act that produces the most happiness is a better act than those acts which produce less happiness. This can be interpreted as a narrow individualistic and short term guideline—it is OK that I act in my short term self interest. Mill on the other hand, saw the greatest happiness principle as follows:

...for that standard is not the agent's own greatest happiness, but the greatest happiness altogether...(happiness) secured to all mankind; and not for them only, but so far as the nature of things admits, to the whole sentient creation. (Mill, 1863-1871, pp. 1122-1123).

This is not maximum happiness for the individual alone, but for the whole sentient creation; (presumably including cows, whales, etc.). One might speculate that Mill would have been a supporter of the work done by the U.N. commission on the environment which coined the phrase “sustainable development” in its
report *Our Common Future*, (Brundtland, 1987). (See also *Development Watch*, 1996 for a complete set of indicators for sustainable development.)

Mill's perspective should result in assessment of a number of variables, including material and non-material dimensions for all humans (and other species as well) and presumably across generations. He gives no indication as to how one should weigh the different concerns, but all humans are considered on an equal footing. Based on the law of diminishing returns, it would seem that Mill might have a preference for societies in which the poor were as well off as possible. A given amount of resources used on the poorest part of the population will produce more happiness than the same amount used on the richest part of the population, all else being equal. In this respect, Mill might have supported his contemporary founder of the Republican party, president Lincoln, who offered to double the low wages of his brother-in-law to help pull him out of poverty (Badaracco, 1995). Perhaps a high minimum wage provides more of an incentive and an opportunity for the poor than tax relief for the rich and the much awaited "trickle down effects." In this sense, Mill and Lincoln may be close to the Scandinavian view of distributive justice and what promotes quality of life.

From utilitarianism, we are encouraged to focus on the results or the consequences that acts produce, not the motives behind the acts or the acts themselves. Theoretically, we could choose to remove basic freedoms, rights or justice from a minority if it would produce greater happiness for society as a whole; or not make buildings available to the motion impaired or not provide good education to certain groups. However, this would not be possible under Kant's moral imperatives—which are based on a "rights" perspective. Basic human rights trump utilitarian reasoning in many cases. Concerns for efficiency must often yield to concerns of equity (justice and rights).

From the utilitarian "greatest happiness" principle we get cost/benefit analysis, which can be useful for decisions related to the efficient use of resources, but not when applied to issues of equity (justice and rights). The pursuit of efficiency will enhance productivity and material well being, be it in terms of purchasing power, or efficient use of raw materials in a production process or the degree to which a small investment can produce a great return for the owners. Thus productivity—or how long must a person work (input) in order to secure a certain basket of goods (output)—is one of many relevant measures of quality of life. In this respect, efficiency is good. Efficient economies are also able to provide their citizens with improved education, health services, etc., which in turn are elements of social equity. Efficiency and equity are in this respect mutually supportive.

Cost benefit analysis is used in health care. With limited resources, what patients should get priority when it comes to health improvement? How can we use our budgets (costs) to produce as much quality of life (benefits) as possible? Perhaps one should spend the money where it may bring the highest expected value in terms of quality of life improvement and longevity? (QALY: quality
adjusted life years). In these decisions, it is hard to chose between the doctors' oath to save lives (at any costs?) and the effects on other patients if too much of the available resources are used on one patient. Finally, we have the issue of the patients' rights to live and perhaps their right to a dignified death. Ringdal and Ringdal (1993) provide an example of the many instruments that have been developed to measure a patient's quality of life known as the EORTC scale in use in Scandinavia. (See also Sirgy, Hansen and Littlefield, 1994 for a study on life satisfaction and hospital satisfaction.)

We want equity (rights and justice) and we want efficiency. However, there are times we must choose one over the other as they may be in conflict with one another. Children provide cheap labor and will therefore provide increased efficiency, yet we may have violated the basic rights and principles of justice by depending on children for our standard of living. Generally, concerns for rights and justice should trump utilitarian concerns. Or to put it another way, we may pursue our material well being in an efficient way as long as we do not violate principles of equal human rights and justice. Utilitarian concerns and the principles of rights and justice (efficiency and equity) have presented international business with delicate problems when trading in for example Nigeria, China, South Africa, Indonesia and Burma.

This discussion has made it clear that narrow utilitarian based measurements of material well being are insufficient indicators of quality of life. Whereas quality of life can be estimated economically (Power, 1980), GNP per capita, numbers of TV sets, cars or telephones are at best insufficient, and may be misleading indicators of the quality of life in a country. If half of the population in a country are without property, elementary justice and/or basic rights, and work for the other half of the population, one may score relatively high on average material well being, while the bottom half may not experience any quality at all.

Resource perspective

Later moral philosophers like Sen and Cohen have added a new dimension to this discussion in the tradition of Adam Smith. The original resource, or value creator is behavior, or our "skills, dexterity and judgement" as suggested by Adam Smith (1776, p. 9) who proclaimed that:

the property which every man has in his own labor, as it is the original foundation of all other property, so it is the most sacred and inviolable.

He saw "skills and dexterity as the only real source of property." He criticized the institutions of long apprenticeships and mobility barriers (borders) between parishes as violations of the right to use one's own resources (skills and dexterities). The invisible hand, and implied freedom, should lead the workers to their most productive and rewarding employment, and it was a violation of the most
basic of human rights to limit the choice of location and the choice of an employer.

This insight regarding the importance of an individual's resources, has not only been picked up by the so called "resource based theory of the firm" (e.g., Barney, 1991, Falkenberg, 1996b)—but also by sociologists (Coleman, 1971) and philosophers. Sen (1993) discusses "capabilities" as the ability to achieve "functioning" in what one chooses to do and manages to be in life. Some functionings are elementary like nourishment and health, others are more complex like achieving self respect or being socially integrated. We differ in the preferences and the weights we give to different functionings.

In the language of the late 1700's, we can say that man has a basic right to choose his own brand of happiness through the use of his own basic resources (skills and dexterity). In the language of the late 1900's, a prerequisite for a quality life is to have certain "capabilities" at one's disposal (resources) in order to achieve different "functionings"—or to embark upon projects (or ground projects) of one's choice. There is an underlying dimension here of freedom for the individual which should not be unnecessarily constrained, and that this freedom is meaningless if one does not have at one's disposal the resources or the capabilities with which to pursue one's own definition of a quality life or happiness.

The capabilities (or resources) depend in part on personal characteristics of the individual, (e.g., talent), and the social institutions surrounding the individual (e.g., a supportive family). A key issue here has to do with the principle of equality discussed above: Does it imply that we work towards a goal of equality when it comes to capabilities or resources at the individual's disposal to achieve functioning or our own brand of happiness? Social democrats (Scandinavians) are perhaps more inclined to answer "yes" to this question than more traditional utilitarians. In the Scandinavian perspective, it is necessary to look at the capabilities or resources that are at the individuals disposal in order to assess their quality of life, or their ability to live out their own definition of a quality life. Sen and Rawls might also lean towards a "yes" answer to this question. This brings us back to the issue of justice: given that we do not all have command over the same resources, how should they be distributed? The same problem arises with peoples' freedom to choose—which for some is extensive and for others there are few choices if any at all.

Those who maintain that "equal distribution" (of these goods) is a paramount goal, can argue that inequalities of opportunity should be compensated, directly or indirectly so that the opportunities are equally valuable. This could imply that institutions ought to distribute resources to compensate for e.g. differential health and differential talents. (Føllesdal, 1994)

In philosophy and in politics, we have seen the "resource view" of quality of life; material, social, political and behavioral resources that are used to realize their conception of a good life. Those who are blessed with a good measure of
skills, dexterity and judgement have strong behavioral assets or valuable resources at their command and can therefore secure a better quality of life than a person with inferior behavioral assets. They have a larger degree of freedom in their choices when it comes to the conduct of their lives. The inequality of resource endowment has been subject to political discussion and action in both cultures, perhaps more so in Scandinavia than in the United States.

The importance of the resources available to each individual or to each group, has been the subject of a long research tradition in psychology (Diener & Fujita, 1995) and in sociology. Much of the recent research that has taken place in quality of life issues in Scandinavia has its conceptual foundation in the work of the British sociologist Richard Titmus (1958), who defined “level of living” as:

...the individual’s command over resources in money, possessions, knowledge, physical and physical energy, social relations, security etc., by the help of which the individual can control and consciously direct his conditions of life. (Titmus, 1958)

In the European tradition, “welfare” or “level of living” is based either on people’s needs or on resources.

If needs are made central, then the concern is with “need-satisfaction.” If resources are made central, then the central concern is with man’s capacity to satisfy those needs or more generally, to ‘control and consciously direct his living conditions’; the individual’s level of living will thus be an expression of his ‘scope of action’. (Eriksen, 1993 p 73)

Resources or capabilities are in many respects general—such as good health, a good education, adequate nutrition—and these are prerequisites of freedom of choice.

The decision as to what ends these resources are to be employed, is up to the individual, and we therefore also need to speak of access to the relevant arenas in which the resources are to be used. This idea is from the American sociologist Richard Coleman and his 1971 work on race relations in the United States, where he stressed the importance of having access to the different arenas where the resources can be used or converted into desirable ends for the individual. He identified several resources that he felt were important for functioning and the pursuit of happiness. These were:

- Freedom of social action (civil rights, non-discrimination etc.);
- Economic resources (employment, income distribution, occupational distribution);
- Political resources (voting, participation, political organising, elected officials);
- Community resources (social cohesion, solidarity, collective action);
- Family resources (nuclear families, extended families, role models, care); and
- Personal resources (academic achievement, job skills, degree of self efficacy).
The arenas listed by Coleman (1971) included occupation, family, school, local community, elections, courts, civil rights groups and black advocacy groups. Thus, by analyzing the relevant strength and weaknesses of a group's resources and how these resources are used in the different arenas, one can gain a picture of the quality of life present in a community.

This perspective was brought into the Scandinavian level of living research by Coleman's student, Gudmund Hernes, who later went on to become minister of church and education as well as minister of health and social services in Norway. Hernes first applied the Coleman approach when conducting a major level of living survey for the government in 1976 (Heroes et. al., 1976, see also Heiberg, 1993).

The approach has later been modified and used in many large scale studies, and the underlying model is illustrated in figure one.

We are born with different resources, different talents into different socio-economic situations. This is denoted by R11, R21 and R31. We then take these resources to different arenas (arenas 1, 2 and 3) in which we put them to use. Arenas could be the educational system, the labor market, the health system or a particular industry—in which we seek to convert our resources into other resources (R11, R22) or directly into quality of life components (QLC1, QLC2, QLC3).

For example, we take our talent for learning (e.g. R11) our financial resources (R21) and our social background (R31) into the school system (arena 1) and later into the university system (arena 2) and convert this talent into a law degree (R12). Then we enter the arena of the legal profession (A3), where we convert our law degree (R12) into another resource, for example income (R22), which in turn is used to buy a nice place to live (QLC1) and a social standing in the local community in the form of a country club membership (QLC2). The education itself

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**Figure 1.** Resources, Arenas and Quality of Life Components

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R11 → arena 1 → R12 → QLC1
R21 → arena 2
R31 → arena 3

R = resources
QLC = Quality of Life Components
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(R12) allows the lawyer to have an interesting life which in itself is a quality of life component (QLC3).

If we look at this from a freedom of choice viewpoint, it becomes clear that individuals with few resources at their disposal and who are denied access to important arenas are severely restricted in their freedom to choose. Unjust discrimination in the arenas, and unequal resource allocation (*justice*) and denial of basic human *rights* constitute a lack of *equity or fairness*, which in turn restricts freedom of choice.

The arenas have their own selection mechanisms and their own distributive mechanisms. (Colbjørnsen et al., 1993). Access to good education may be available to all, to some, or to just women. Or it may be available only to people with a certain resource combination like dexterity or intelligence or social class or race. As the minister responsible for the church of Norway, Hernes acted on his beliefs and appointed the first female bishop in 1990—which opened up a new arena to women in spite of the opposition of many of the church leaders.

Heiberg (1993) seems to combine the Coleman/Hernes tradition of resources, arenas and quality of life with the Allardt (1975) “having, loving, being” approach in her study of the living conditions for the Palestinians in the Gaza strip and on the West Bank. An individual’s level of living is defined not so much as a function of economic goods, but by the real *ability for the individual to make choices* and affect the outcome of her own life—or to pursue her own projects. Can an individual participate in social, political and economic life and work creatively to shape her own future? Heiberg delineates objective and subjective dimensions of human development and the ability to exercise control of one’s own life: The objective dimensions are access to the resources which are required for 1) a decent material standard of living 2) protection of health and personal security and 3) acquisition of knowledge. The subjective dimensions are related to the individual’s conviction that she can participate as a full human being in a meaningful social life; human empowerment, productivity and self respect. Thus a level of living study should provide a holistic and comprehensive description of the conditions in which a person finds herself. Incidentally, this study was an important step in process of confidence building that eventually resulted in the Oslo agreement.

A related stream of research centers on “Self Efficacy” or the capacity we have as humans for producing the desired results for ourselves, which is one of the main contributors to our perception of a quality life (Andrews & Withey, 1976, p. 193). This fits well into the framework presented here.

Access to the arenas is crucial in order to be allowed to pursue one’s own brand of happiness and one’s own conception of a quality life. We could let it be up to the individual to secure access—in which case there will be a selection of “resourceful” individuals who get ahead.
Or we could decide as a community or a society that we should make the necessary resources available to the individuals so that they may enter the different arenas in pursuit of a quality life. Thus the arenas must be open for all, and one must have the resources needed in order to enter them. That makes “quality of life” to a large extent dependent on cultural values and the resulting political decisions. We must make sure our children are healthy, have good nutrition and get good education and that the governing mechanisms of the arenas do not discriminate based on irrelevant criteria. If, as a society we decide that access to the arenas is important, then we have a non-liberal conception of the state (Korsgaard, 1993) i.e. the state has a conception of the good (e.g., access to the arenas) and sees it as its mission to promote this for its citizens. Lincoln may have seen the role of the government in a similar way:

...a government whose leading object is to elevate the conditions of men...to clear the path for laudable pursuits for all; to afford all an unfettered start, and a fair chance in the race of life...this is the leading object of the government for whose existence we contend. (Lincoln, 1861)

If many of the arenas are in fact off-limits to certain groups, or one does not possess the relevant resources to act in these arenas, then this constitutes an important impediment to achieving a quality life and freedom of choice. Glass ceilings may prevent women, who wish to advance in organizations, access to the arena of top management. The arenas can be limited by unjust institutions such as those not relying on a pure meritocracy, i.e., selection processes not based on evaluation of talent and motivation exclusively (Falkenberg, 1996). Some of the unjust selection mechanisms include undue consideration of gender, race, age, looks, family ties, nationality, political preferences, political power networks, union membership, religions, etc. The other limiting factor is access to positions and institutions that will develop a person’s talent or merits. Both of these factors beg the question as to whether one faces a situation of true equal opportunity; when it comes to garnering the resources and when it comes to access to the arenas. If not, we have a situation with less equity and a reduction in the individual’s freedom of choice. Johannson (1970) argues that one needs to include a component in quality of life research shedding light on the individual’s ability to affect changes in- or to protect herself from existing social institutions as well as the ability to get the problem discussed politically.

These issues are very much at the heart of the social democratic value base of the culture in Scandinavia. They are also closely related to some of the most basic principles of equal moral value and justice. The domain of utilitarianism or concerns for efficiency has a more limited place in Scandinavia than what may be the case in the United States—or rather—utilitarianism in a self centered version. Had the United States been truly utilitarian in philosophy and culture, one might have generated more total happiness by reducing differences in income and wealth.
CULTURAL DIFFERENCES

Discussions of moral philosophy aim at finding universal principles that will transcend time and place. Thus the principles discussed by Aristotle, the New Testament, Rousseau, Smith, Mill, Rawls and Sen are not intended to be applicable in just one particular culture (mine) at only one point in time (now). However, as individuals we live in a specific time and we are part of a specific set of values, namely our culture. This will of course flavor our choice of moral principles and our social priorities. As Americans and Scandinavians read the moral philosophers, there is a tendency to select and interpret principles which seem reasonable in light of their cultural programming. Therefore, it is possible for two different cultures to interpret the same philosophers differently, or at least put one’s emphasis in different places. One may therefore say that the Scandinavian interpretation of the Bible is closer to a social democratic interpretation than one finds in North America when it comes to the institutions that should govern our societies.

As we seek to apply ideals from the Western moral philosophical tradition to cultures outside this tradition, we will soon encounter resistance to some of the basic principles on equity like equal moral value, distributive justice and just institutions—or resources and access to the different arenas for all. This is the same kind of resistance we faced in our own history when challenging unjust institutions. We still face the same resistance in areas of human life not yet illuminated by the same principles. Cross cultural conflicts along these principles are evident, for example, in the human rights criticism of China and the most “favored nation status” for China’s trade with the United States, or the pressure from the Western democracies on some of the African nations when it comes to making aid dependent on human rights progress.

The studies on the living conditions coming out of this tradition in Scandinavia reflect a concern for issues of social equity and freedom of choice in addition to the economic aspects of quality of life. As we will see, this concern may be related to cultural differences.

Inside a culture, there is a certain level of agreement on what is desirable and undesirable, what is good and what is bad, what is expected behavior and what is unexpected, what is preferred and what is not preferred. Our consciences (or our moral compasses) inform us of what is desirable and what is not. Our values are therefore a function of the time and place in which we live our lives. These values originate with historical, geographical and philosophical factors and are values found useful for survival. They form a foundation for trust in a society and they are programmed into us and seem “natural and obvious” to the individuals in the culture.

Thus, a Scandinavian and an American have been differentially programmed as to what is desirable and what is not. Also, a person who grew up a hundred years ago will have a slightly different set of values compared to the current generation. There is also a tendency for people of one culture to regard the values held by
other cultures as somewhat inferior to their own. In Europe, one sometimes speaks of the "Americanization" of the old cultures as something regrettable. This kind of ethnocentrism is found in most cultures as one has a tendency to regard members of another value system as not quite having seen the light. There is a natural tendency to regard one's own values as superior to the values of others. Pride and identity with one's culture or nation is natural and perhaps necessary, but we should remember that if one amplifies this kind of ethnocentric thinking and takes it to an extreme, it leads to destructive nationalism, racism and ethnic cleansing.

Culture provides identity, predictability and security—or a "society"—as opposed to an "anarchy." It is therefore logical that what is seen as a "quality life" will vary from one culture to the next;—what are the desirable, good, expected and preferred qualities that a good life should contain? Geert Hofstede's (1984) study from the seventies is still one of the best studies of the value differences between cultures. With a large battery of questions he was able to identify four differentiating dimensions between some forty cultures, based on 116,000 respondents. Of the four dimensions, there are two in particular that show the differences between the United States and Scandinavia; namely "individualism" versus "collectivism" and "performance/achievement" orientation versus a "welfare/relationship" orientation. (Hofstede uses the terms masculinity and femininity which are misleading.) The tables below show the results for some of the countries in the study.

Based on the results in table one, it is expected that a good life in the United States will be one in which the individual is more individualistic and autonomous than what we might expect from Scandinavia. One would expect that there would be different social legislation in that the Scandinavians might have a preference for somewhat more collective solutions in matters of welfare as opposed to the more individualistic solutions preferred in the United States. On this dimension, the Anglo cultures seem to be more individualistic than most other cultures, and we find the more group oriented oriental cultures at the other end of the scale.

<table>
<thead>
<tr>
<th>Table 1. Country Individualism Index</th>
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<tbody>
<tr>
<td><strong>Self centered—INDIVIDUALISM:</strong></td>
</tr>
<tr>
<td>preference for loosely knit social framework</td>
</tr>
<tr>
<td>high individual autonomy</td>
</tr>
<tr>
<td>individuals take care of themselves</td>
</tr>
<tr>
<td>loyalty to self and immediate family only</td>
</tr>
<tr>
<td>Country</td>
</tr>
<tr>
<td>United States</td>
</tr>
<tr>
<td>Australia</td>
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<tr>
<td>UK</td>
</tr>
<tr>
<td>Canada</td>
</tr>
<tr>
<td>Denmark</td>
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<tr>
<td>Sweden</td>
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</table>
Compared to the rest of the countries surveyed, both the United States and Scandinavia represent cultures where individualism seems to be preferred over collectivism; however, significantly less so for Scandinavia.

The largest difference between the United States and Scandinavia comes in the dimension of welfare/relationship versus performance/achievement. This is also the dimension that seems to reflect the different approaches to quality of life the best. In performance/achievement societies, achievement, winning and material success seem logical measures of a good life, whereas in welfare/relationship cultures, welfare, care for the weak, equality of opportunity and modesty are the hallmarks of a good life.

In Hofstede’s terms, the Scandinavian culture is a lot more “welfare and relationship oriented” than the American culture. In musical terms, one might say that the Scandinavian cultures have an emotional expression like a compassionate piece of music in “minor”—caring for the weak, nurturing, welfare for all—a

<table>
<thead>
<tr>
<th>Country</th>
<th>Score</th>
<th>Country</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>95 (Performance/)</td>
<td>Hong Kong</td>
<td>57</td>
</tr>
<tr>
<td>Austria</td>
<td>79 achievement</td>
<td>Canada</td>
<td>52</td>
</tr>
<tr>
<td>UK</td>
<td>66</td>
<td>Denmark</td>
<td>16</td>
</tr>
<tr>
<td>Germany</td>
<td>66</td>
<td>Norway</td>
<td>8 (Welfare/relationship)</td>
</tr>
<tr>
<td>United States</td>
<td>62</td>
<td>Sweden</td>
<td>5</td>
</tr>
</tbody>
</table>

Table 2. Country Index

![Figure 2. Performance/achievement and Individualism Index](image)
melodic melancholy with empathy. This does not allow boisterous “winners take all” accompanied by BLT (bright lights and trumpets) and Souza marches in “major.” Material success, heroism and assertiveness can in Scandinavia be seen as lack of solidarity, humility and respect for the weak. If we take the two dimensions together, performance/achievement and individualism, we get the following plot:

In terms of moral philosophy, it can be argued that these differences (individualism and performance/achievement orientation versus collectivism and welfare/relationship orientation) are consistent with more of an emphasis on utilitarianism, efficiency and the puritan work ethic for the Americans. It is performance and results (input/output) that count the most. Lazy people get their just deserts (poverty) as do those who work hard and perform well (wealth). (See also Badaracco, 1995, on Lincoln.) Wealth and poverty become measures of a person’s contribution, goodness or quality. Thus one sees acceptance for a relatively large measure of economic inequality in the United States compared to Scandinavia. In the United States one gets rich by one’s virtues. In Scandinavia one is more suspicious of wealth—a person becomes rich by having charged prices that are too high and/or paid one’s employees too little.

But it is even more complicated than that. Work is by some seen as a cost or a “pain”: something we have to do in order to sustain life. One works in order to feed and house one’s family. The enjoyment of life is measured in terms of leisure (pleasure) in a cost/benefit analogy. Negotiations for shorter working hours (towards 35 hours) and more vacation (towards 5 weeks) has taken place in Europe during the past 30 years.

But this assumption is not always correct. Some kinds of work should be counted as pleasure—and if one can experience pleasure for 60 hours a week—it should be counted as a positive indicator of quality of life. If I can pursue what makes me happy, spend 60 hours a week on my ground project and get paid as a bonus, that is immensely pleasurable. Work without these properties can be seen as pain and the less time I need to spend at it, the better off I am from a quality of life viewpoint. It seems also that no work for a person who wants to work is exceptionally stressful and dysfunctional, whereas no work during a vacation or as a retired person can be of great benefit (see also Scitovsky, 1992 on the Joyless Economy)

Most people do spend the best hours of the day and the best years of their lives at work. Therefore the work environment is an important variable for a person’s quality of life. Scandinavians by and large favor systems which give employees a say in decisions that affect their lives, especially at work. The organizations are flat and not very hierarchical. Labor is represented on company boards, paid sick leave is available and paid maternity leave up to a year can be shared between the mother and the father. Offices are usually large, must have windows or access to outside light and are well equipped with computers and ergonomically correct
furniture. And the working hours are relatively short compared to the United States. It is not uncommon for the office staff to go home at 3:00 p.m. in the summer time. It is also more difficult legally and morally to fire a person. This reflects a different view of work and its role in our lives. A job is important and a large part of life is lived at work, so there is a substantial effort made to make work as rewarding as possible. On the other hand, a person is not primarily identified by her employment or measured by her material success, but is first of all a person with an independent life, of which work is just one ingredient. This kind of work environment does enhance quality of work life, but it does not show up in measures like GNP per capita.

The economic measures of quality of life fit well into the American culture. Success and failure are attributed to the individual, not so much to the circumstances surrounding the individual, and the individual is accountable only to herself and her immediate surroundings. Thus one observes that some of the institutional arrangements in the two cultures differ in terms of distributive justice. Health and education in Scandinavia is by and large distributed equally based on need with equal access for all. Health and education in the United States are distributed based more on market solutions, or “pay your own way” by purchasing individual health insurance or paying college tuition. However, neither set of institutions in the two cultures operate strictly on a “needs” basis or on a “pay your own way” basis.

Differences in cultural values will of course also be reflected in political preferences and in the institutions of a democracy. If the preferences are different from one culture to the next, then the range of acceptable and unacceptable political solutions will also be different. The Scandinavians have expressed their preferences for a more welfare/relationship oriented value set through the development of the welfare state. From this we can understand why the Scandinavian countries let 1/2 of their GNP go through the government, much of which is in the form of transfer payments; spending on education, health and welfare, whereas in the United States the government collects only 1/3 of the GNP in taxes.

On the surface of it, it can look as if a system which is more individualistic and more performance/achievement oriented should produce more freedom for the individual—and this is a cherished belief in the American culture. It is the land of liberty and the land of the free with opportunity for all, unencumbered by a mighty government, unnecessary restrictions on individual sovereignty and with constitutional rights protecting the individual. On the other hand, in the Scandinavian model, one wishes to make sure that the individual has real choices which require capabilities and resources in order to enable all individuals to lead rich and sovereign lives. This is closely related to the “capabilities (or resources) to achieve functioning” reasoning of Adam Smith and Amartya Sen discussed above.
The welfare state provides some of these capabilities and resources through "free" education and health services. The reward structure for work is also influenced by the welfare/relationship dimension in that most, if not all, jobs pay a living wage (see U.N. Universal Declaration on Human Rights, article 23) and the top salaries are quite low compared to the United States. This enables most people to pursue their own brand of happiness and to realize their own projects. It also allows them to take risks for which the potential costs of failure are reduced by the welfare programs of the state. Thus if by freedom we mean the ability to pursue one's own brand of happiness—or one's own definition of a quality life—it requires not only that the state allows the individual to pursue happiness, but that the individuals have the resources and capabilities to do so. Real freedom of choice may be an illusion for a person with poor education on minimum salary without health insurance—at least as seen through Scandinavian eyes.

Another related Nordic approach to quality of life is represented with the work of the Finnish sociologist Erik Allardt (1975). He proposes a broad framework for quality of life in which many of the Scandinavian values are apparent. He suggests that the essence of a quality life has to do with having, loving and being. His model differentiates between objective and subjective measures along the three dimensions as in figure three.

**Having** has to do with material and impersonal needs such as economic resources, housing, employment, working conditions, health, education, availability of food, water and shelter. In the same vein Galtung (1975) proposes a floor below which no individual should be located. The average of any material measure may be high, but it says nothing of the distribution of the items, and thus if a large portion of the population falls below this floor, the quality of life can hardly be said to be satisfactory. Additionally Allardt suggests that we include measures of the physical and biological environment in our objective measures as indicators.

<table>
<thead>
<tr>
<th>Objective indicators</th>
<th>Subjective indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Having</strong> (material and impersonal needs)</td>
<td>1) Objective measures of the level of living and environmental conditions</td>
</tr>
<tr>
<td><strong>Loving</strong> (social needs)</td>
<td>2) Objective measures of relationships to other people</td>
</tr>
<tr>
<td><strong>Being</strong> (needs for personal growth)</td>
<td>3) Objective measures of people's relations to a) society b) nature</td>
</tr>
</tbody>
</table>


**Figure 3.** Having, Loving and Being
of well being, such as the ph-level of the soil and the ground water, content of heavy metals, emission of radon gasses and the like.

*Loving* refers to attachments and contacts in their local community, family and kin, relationships with colleagues, membership in organizations and the like. Allardt reports that the strength of social relations of companionship and solidarity was not correlated with material well-being in a large study of well being in Denmark, Finland, Norway and Sweden "...social relations (in Scandinavia) are equally rich in their contact and warmth in castles and huts" (Allardt, 1993). However, when the material conditions become really poor, beneath the floor of dignity, then social relationships will also suffer. Thus, the experienced quality of life when it comes to *Loving* is not related to the economic indicators most often used in QoL studies.

*Being* refers to the need for integration into society and to live in harmony with nature (p. 91); personal growth versus alienation. Measures of *being* include items like ability to participate in decisions affecting one's life, political activities, opportunities for leisure, for a meaningful work life and opportunities to enjoy nature through walking, gardening, fishing, etc. In other words a measure of freedom when it comes to composing quality lives with a personal set of attributes according to our own preferences.

It seems clear that the cultural differences we find between Scandinavia and the United States represent different perspectives and priorities when it comes to the basic issues of social equity, efficiency and freedom. In the next section we will take a look at some aggregate statistics that will shed further light on these differences.

**SELECT AGGREGATE STATISTICS**

In terms of efficiency (measures like GDP per capita), the United States model and the Scandinavian model seem to do about equally well—say over the past 30 years, despite the big differences in the institutional arrangements. Figure four shows the development in GDP per capita for Scandinavia (weighted by population for Denmark, Norway and Sweden) and for the United States.

Scandinavia and the United States had approximately the same GDP per capita in 1960 (in 1990 prices and exchange rates). However, it looks like the development of this measure in Scandinavia has grown somewhat faster over the past 35 years than in the United States. A larger proportion of this growth has taken place in the public sector in Scandinavia compared to the United States. A surrogate measure of this development is presented in figure five below.

In 1960, GDP minus final private consumption was approximately equal for the United States and for Scandinavia at about 39% of the GDP. However, the public sector has grown in Scandinavia (to some 50% of GDP) and declined in the United States (to some 33% of GDP). Thus it seems that the growth in the public
sector has not jeopardised the development in GDP per capita (figure (4)) for the Scandinavian countries. Distributing education, health services and other welfare supports through the public sector to all the citizens may not adversely affect efficiency as measured by GDP. As a matter of fact, this kind of public investment in

**Figure 4.** Gross Domestic Product Per Capita at Price Levels and Exchange Rates of 1990, from 1960 to 1994

**Figure 5.** Gross Domestic Product Per Capita Minus Private Final Consumption as a % of GDP at the Price Levels and Exchange Rates of 1990-from 1960 to 1994
social equity or social justice may boost efficiency rather than represent a trade off as well as promote freedom of choice for the individual.

However, a large public sector will affect the size of the pie available for private consumption (figure 6).

The GDP per capita available for private consumption in the United States and in Scandinavia has been roughly equal from 1960 to the mid 1980's. However since then, the United States has shown an increase in private consumption, whereas the Scandinavian countries have not.

There is also a perceived danger that an extensive regime of welfare programs may discourage work. In some cultures this may indeed be the case, but the Scandinavian experience does not support this. Figure seven gives the participation rate in the labor force as a percentage of the whole population:

It seems that the labor force participation rates have stabilised over the past ten years or so at about 48-49% for the United States and around 51.5% for Scandinavia. The proportion of people normally outside the labor force (under the age of 20 and above the age of 69) is the same for the United States (37.4%) and for Scandinavia (37.3%). Thus it seems reasonable to conclude that the "welfare state" does not discourage work, at least not in Scandinavia.

The ability to develop one's resources is in large part dependent on the local culture and its institutions. For example, will it allow and encourage women to gain access to education, and later on access to the work force and the professions?

The participation of women in the work-force seems to have stabilized in the United States at about 41% (41.6% in 1980—41.4% in 1993). Scandinavia also

![Figure 6. Private Final Consumption Per Capita at Price Levels and Exchange Rates of 1990](data:image/png;base64,iVBORw0KGgoAAAANSUhEUgAAAIgAAAAIAQMAAABgTgUzAAAAGXRFWHRTb2Z0d2FyZQBBZG9iZSBJbWFnZVJlYWR5ccllPAAAAwSURBVHja4Ge7gMwAB5sFQG5wG5GMqE15h2aENXQK8QJhJ5J3DQfL1jwNkzAAAAABJRU5ErkJggg==)
seems to have experienced a plateau at a slightly higher rate of about 43% (42.9% in 1980—43.8% in 1993). Despite the relatively generous government support of single mothers in Scandinavia, the participation rate in the labor force is relatively high. This may be facilitated by subsidized child care, generous allowances for
maternity leave as well as general resources available to women that enable them to enter the employment arena. It can be said that the freedom for women to choose to participate in the educational arena and in the work force grew rapidly in both cultures in the 1970's—and levelled off in the 1980's. Equal freedom of choice for men and women may not result in a 50/50 participation rate in the work force, as one cannot assume an equal preference for work (or need to work) for both genders.

The employment market may reward certain professions much better than other professions. Professions with a predominance of female participants (nurses, preschool teachers, check out clerks) have far lower pay than professions with male dominance (pilots, doctors, teamsters). Thus we have distributive mechanisms, which may be unjust or unfair, in some of the arenas which will determine the degree to which different participants will experience certain quality of life components.

EFFICIENCY, EQUITY AND FREEDOM OF CHOICE

The indicators presented above illustrate some of the differences between the Scandinavia and the United States when it comes to the issues of equity, efficiency and freedom. In the figure nine, these dimensions are combined into a model based on Falkenberg and Wish (1980).

Figure (9) illustrates the position of three different cultures in terms of the three dimensions of efficiency, equity and freedom of choice. In the American (A) tradition, one has viewed efficiency and equity as dimensions which one often needs

![Figure 9. Equity, Efficiency and Freedom of Choice](image-url)
to trade off against one another. (See for example Okun, 1975.) It is costly to ensure equity on a societal level as well as for each economic organization. In the United States, it is often argued that increased costs (taxes) in the private sector and increased spending in the public sectors reduce efficiency. Freedom of choice is also seen as a necessary requirement for efficiency, and should not be unnecessarily constrained by an elaborate regime of laws and regulations promoting equity. In Scandinavia (S), however, investments in equity are seen as desirable in themselves and also produce a healthier, better educated and more self confident work force, which in turn is believed to drive efficiency. Investment in equity will also promote real freedom of choice. Typically, LCD’s (“B” in the figure) are wanting in all dimensions, in part because of a centralized political and economic power. The failure to decentralize sovereignty and extend equity (i.e., rights and justice) to the population at large helps maintain poverty and a poor environment for quality of life. A similar pattern could be observed in the former communist economies of eastern Europe.

The “welfare/relationship” economies of Scandinavia have to a large extent been created based on the belief that the market is not always a just institution when it comes to distributing material or social goods. There is a different conception of justice inherent in the two cultures. Thus the politics in Scandinavia results in a larger public sector than in the United States in order to ensure equity. However, this does not seem to preclude healthy gains in material standard of living. Some of the differences may in part rest on a different conception of the state.

In a liberal theory of the state, the purpose of the state is to allow each citizen to pursue his or her own conception of the good. In a non-liberal theory, some conception of the good is taken as philosophically established, and the goal of the state is to realize that conception. (Christine M. Korsgaard, in Amartya Sen and Martha Nussbaum Quality of Life Clarendon Press, Oxford, 1993 pp 55).

“Liberal” here means “free, without interference” rather than the current U.S. interpretation of the word liberal which entails the active use of government in social and economic spheres of life. According to Korsgaard (1993) and Nussbaum (1994), the Aristotelian theory of the state is also non-liberal where the purpose of the state is to educate citizens for a virtuous life, a life that is “flourishing.” Classical utilitarianism is not liberal either, as it takes the goodness of the maximization of pleasure as both philosophically established and capable of justifying public policy.

Initially, the settlements in the United States were dominated by religious groups, for example in Massachusetts, Rhode Island and Pennsylvania. By the late 1700’s, numerous different religious groups and cultures were represented and it became prudent for the state to be more liberal and let each pursue its own brand of happiness. As the melting pot stewed, a uniquely American culture emerged and heterogeneity was replaced by some measure of homogeneity. The resulting values were fairly close to the values implied in the neo-classical view of man.
This might explain the tendency to “count” one’s way to an estimate of quality of life emphasising efficiency. Other measurements may be too controversial.

The current conservative opposition to government regulation in the United States seems to be a reaction to a gradual erosion of the original liberal conception of government to a non-liberal conception as described by Korsgaard. In Scandinavia, there is perhaps more of an agreement as to what a good life should be, and the government was seen as a change agent to make sure it came into being. Thus the role of the government in the United States has traditionally been to ensure the rights and liberties granted in the constitution, facilitate commerce and to provide for a credible defence. The Scandinavian governments have in addition to this seen as its role to be a social change agent—to facilitate the ideals inherent in the culture to provide real choice and opportunity and social security for all.

Moral philosophy provides us with a rich theoretical foundation for the evaluation of quality of life, be it with its emphasis on virtues, rights, justice or resource ethics (equity). The different cultural values present in the United States and in Scandinavia put a different emphasis on what a quality life is, and thus how one regards these dimensions. This can in part be noticed in the institutional arrangement in Scandinavia, both in terms of the laws and the regulations, and also in the norms present in the cultures. Many of the large level of living studies done in Scandinavia reflect these differences with their emphasis the resources and arenas as they seek to assess the real freedom of choice available to the individual. Rights and justice are more meaningful ideals if they result in practical and available choice for the individual as she seeks to gain access to different arenas in order to pursue her own projects or her own brand of happiness. It is also quite efficient.

Thus it is argued that equity, broadly defined based on traditions from moral philosophy and sociology, promotes both economic efficiency and freedom of choice. Together, the three dimensions form a conceptual foundation for comparative studies of quality of life. This is particularly evident as we seek to contrast the differential thinking on these issues on either side of the Atlantic.

REFERENCES


