

The Consumer's Psychology and his Purchasing Power – Milestones of Work Motivation

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Abstract

Starting from the assumption of instituting the economic security as a fundamental prerogative of the existence of the human being in the society, the present paper proposes to supplement the social significance that the consumption potential has got, by means of a special symbolic charge, translated by status categorization and positioning within the social hierarchy of an individual. The consumer's psychology entails mutations specific to the new way of life, integrating the appetite for satisfying some "artificial" needs, induced by the search for abundance. The concept of "purchasing power" is subsequently defined and correlated with the propensity of an authentic "revolution" of needs, which determines the individual to remodel its mentality and conduct in order to avoid the perverse situation of internalizing poverty. This is the context in which money converts in one of the most powerful instruments of achieving liberty that man has ever invented.

Key words: work motivation, consumption potential, purchasing power

JEL Classification: A12

Introduction

Fundamental prerogative of the individual's existence within the society, the economical security is often considered an indispensable condition of liberty. Even if such a fact is true in a certain sense in an epoch animated by the passion for the conscious control of all aspects of life, it however appears the doubt that the human effort concretised in view of claiming that security can have a boomerang effect with overwhelming consequences upon the liberty itself. A path to "enslaving" the individual in the conditions of the market economy system is born in this way, forgetting that – in fact – "the progress of liberty in the history of mankind is not [...] a progress registered only in combating the external limits imposed, but first of all with the one of the dispute with the limits that the nature inside us has imposed us."¹

Any reality bears in itself the mental universe that gave it birth, exactly as a piece of mirror keeps the same world as the whole from which it was detached. After a period in which consumption has constituted an obsolete notion, a consumer's society has been born, in which the customer is king. The choices that he makes, the options for a good or another – apparently free from any influence – actually represent the impression of the social category to which he

¹ Liiceanu, G., *Despre limită*, Humanitas, București, 1994, p. 69.

belongs or to which he rather tends to belong. That is why consumption is one of the codes that places the individual within the social hierarchy.

A law that acts as a tendency in the present day society is the one that the fraction of the budget destined to somewhat useless goods increases with the income. The contentment of the “luxury” needs to fill up a larger and larger space in the sphere of the daily preoccupations of people shaped in an environment in which everything that did not correspond to a social ideal was repressed. The desire for enrichment, greed, the lack of measure – many times – in showing off wealth constitute the buds of another lifestyle. The sentiment of possession and the power that it confers determines the individual to escape from the restrained bottom of satisfying the priority needs and to bring a completely different expansion to his consumption potential. Thus, this one “becomes unlimited from the moment in which goods get a social significance, that is whenever the simple purchase or possession of a product procures us a certain satisfaction, even if we use it only episodically or we don’t use it at all.”²

Money and Prices Level. Consumer’s Reactivity to Changes

In the enunciation of the *outlets law*, that also bears his name, Say starts from the assumption that each process of producing different goods (the supply) institutes itself in the proof of the existence of the desire to obtain other goods (the demand). In the market economy however, a difficult question cannot be avoided: What happens with the production that consumption cannot absorb? The appearance of a product has a reason only in two manners: either the producer succeeds in imposing it for consumption, provoking a new need, or the consumption need for the concerned product is already constituted. Besides the permanent mechanism of creating new desires and needs, as fundamental engine that puts into motion the gears of the market economy, an indispensable condition is required to be respected for the good working of this “game”: the solvency of the product. And it cannot be satisfied unless the individual earns more.

The following question arises: What is the function of money in a world governed by the “invisible hand”, by the competition or by the motivation to gain? Far from being only an exchange means or neutral from the economic point of view (idea encountered in the classical economic theory), money represents – like the consumption potential – an expression of the identity of an individual, more precisely of the manner in which he perceives himself and is perceived by the others. The perceptions represent the most important part, because both the situational context and the individual needs fall under their incidence. On the other hand, “the salary was and continues to remain a universal system for measuring the status of the individual within the organisation. [...] The definition and improvement of the status from this point of view went into tradition, becoming already a universal value of the contemporary society.”³

Although this vision suffers controversies, moving away the individual from the Socratic aphorism regarding the scope of life, it represents an appreciated evaluation mean because it does not entail any kind of conditioning of moral order and it does not make use of greatnesses difficult to quantify. Nevertheless, we cannot neglect the ethical reasons which should subsist at the origin of social choices and that is why “we would put in connection the perspective of Adam Smith with the well-known work of Max Weber *The protestant ethic and the spirit of capitalism*, in order to strengthen the relationship between values, institutions and economical performance.”⁴ The inner movement of capitalism releases therefore the competition between progress, an imperative dignified of appreciation, under which all the processes of social life are bond, and the ethics of the transactions based on trust, honesty and transparency. Experiencing

² Didier, M., *Economia: Regulile jocului*, Humanitas, București, 1994, p. 36.

³ Chișu, V. A., *Posturi, salarii și... beneficii*, Editura Irecson, București, 2005, p. 178.

⁴ Dăianu, D., *Capitalismul încotro?*, Polirom, Iași, 2009, p. 58.

an unmerited reduction, but encouraged at the economics' level, progress signifies today the increase of productivity, profit and other economical indicators, placed beyond the human's ontology. The contemporary society has its own life formula: "the need for a growing consumption market, the political pressure of the poor ones [...], the growing feeling of democratic equality. [...] Compassion does not seem to be indeed one of these motivations."⁵

The world we live in has multiple facets, more and more interdependent; not only the development possibilities increase, but also instability and incertitude. The economy is a living organism; the individuals composing it need liberty of action to create value. The utopia of central planning has been proven to be extremely dangerous. A society beneficial to the individual is the one that knows to stimulate needs, pleasures, caprices, urging him to consume more, but – at the same time – has a motivational code capable to attract performant work. In order to reach such a result, an intelligent, minimalist regulation is required, without restraining too much the spectrum of possible decisions or without brutally deforming the ensemble of relative prices.

In a consumer's society, wellbeing is costly. Solvency, the money covering of the consumption demand – hard problem in a world marked by uncertainty, becomes of a vital importance. That is why money turns out to be one of the most powerful instruments of obtaining liberty that man has ever invented. Such a vision contaminates the human psychic, determining the individual to act consequently. "If we strive to obtain money, we do it because money largely opens the fan of the alternatives between which we can opt and of the modalities to benefice by the fruits of our efforts. Many people turn out to hate money because, in the modern society, the restrictions still imposed by our relative poverty become discernible for us by means of the limitations of our money incomes, money just being a symbol of these restrictions."⁶

Do we live worse than before 1989? Absolutely, not. People yet say what they feel, as opinion polls do not make analyses, confining themselves to measure collective feeling. When the future is uncertain, when the perspectives are confusing, the only solution is "to do like the others" in order to avoid to find oneself isolated. In this case, the paradox is that uncertainty becomes total. It is true that the market is a social institution like any other, with limits and imperfections. But it is also known that, opposing the millions of individual behaviours affirmed on the market, the springs of the economy destroy themselves. The incredible system of free, but independent, gearings has permanently led until now to the best answers to the key-questions that the society asked itself: What to produce? How to produce? What is the function of prices and competition in a market economy?

A well-known fact is the one that what it matters for demand and supply is represented by the price of the concerned product in comparison with the prices of other products. The product's price expressed in money terms is called *money price* or *absolute price*; the price of a product expressed as a function of other prices constitutes the *relative price*. In an inflationist world, as the present day Romania can be considered, the relative price of the product can be measured by means of the modifications of the good's price, compared with the modifications taking place in the *average* of all the other prices, which can be defined as the *general level of prices*. In such way, we have instituted the profile of a theoretical framework required for the further deepening of the mutations happening within the prices mechanism and its impact upon the individual.

The question that arises with priority is: How does the consumer respond to changes? The answer has to commence from the origins. The disappearance of the centrally planned economy and of the prices stability produced a psychological shock. "The economy was forced to totally give up the barter exchanges and to cope with a new type of exchanges, based on money. From here, some severe crises came to us: inflation, unemployment, monetary instability, discordance

⁵ Fromm, E., *Texte alese*, Editura Politică, București, 1983, p. 334.

⁶ Hayek, F.A., *Drumul către servitute*, Humanitas, București, 1997, p. 107.

between supply and demand on the consumption market, problems solved only partially up to the present. [...] It seemed unnatural that no plan figures are coming, that nobody is telling the enterprises what to produce and where to deliver the products...”⁷

In these conditions, from an economy fallen into fiction, but in which the statistical data confirmed however “the prices stability” of some fictive commodities, we have passed today to an economy which is searching for competitiveness and the supply of goods is visibly improving, in contrast to the accentuation of the tendency of the prices increase. That is why it is imperiously necessary to take into consideration the manner in which the consumers respond to the different changes occurring in their budget and in the prices they are confronted with. At the question regarding the decision maker’s reaction when he has to choose, if the situation is uncertain, the answer is equally equivocal.

It is certain that those making a decision do not have categorical, univocal preferences. Thus, a relatively stable compromise is formed as a result of the conciliation of the adverse parts from the cobweb of the interior motivations, specific to every individual. “Some consumers for example are consistent and they always choose the same economical good. Most consumers yet are not so obstinate and they experiment, they try either a product or another, and they learn from their own life experience how to put in order the preferences. They learn from the previous experiences.”⁸ Synthesizing, the resultant conclusion is related to the heterogeneity of the values systems specific to humans, fact that guides to the diverse orientation of the predilection for certain goods. The graphical illustration that emphasises the ensemble of the combination of goods and services at which the consumers hope to obtain the same level of satisfaction can be made by means of the indifference curves.

But if the indifference chart certifies what the consumer would *wish* to do (that is to climb as high as possible on the mountain of quality), the reality restricts him by means of the budget line it possesses. Any change in his money income will contribute to the modification of the consumption choices, presuming that the prices maintain themselves constant, and the visualisation of this mutation can be seen in *the income – consumption line*, shown in figure 1.

A similar shift of the budget line also presents itself in the variant in which the change takes place at the level of the money price, in *caeteris paribus* conditions; this result suggests the compatibility by compensation of the perturbations experienced at the level of the money income, respectively of the absolute prices. The theoretical conclusion can be formulated more rigorously as follows: “Multiplying money income by some constant, λ , and simultaneously multiplying all money prices with λ leaves the budget line unaffected and hence leaves consumer purchases unaffected.”⁹ If the individual in the position of consumer has no stimulus that amplifies his desire to acquire more, in the previously discussed conditions, the same lack of reaction is ascertained at the producer’s level as long as the relative profitability of the production lines do not entail any modification. If however the *relative prices* change, the slope of the budget line is perturbed, deviating from the parallelism with itself, characteristic to the modification of the *absolute prices*. In order to point out the consumer’s reactivity to the change of the price of one good, the so-called *price – consumption line* is used, as shown in figure 2.

The factors influencing the consumption expenses are both of objective nature and of subjective nature. Different from one individual to another, the preferences, but also the appetite or availability for consumption generally find themselves under the emblematic sign of some traditions, habits, customs which provide the specificity of the geographical area of origin or bear the imprint of some features of complex psycho-social nature that interfere with the degree

⁷ Vasilescu, A., *Cum să mușcăm azi din pâinea zilei de mâine*, Editura Minerva, București, 2006, p. 128-129.

⁸ Popescu, C., Ciucur, D., Popescu, I., *Tranziția la economia umană*, Editura Economică, București, 1996, p. 154.

⁹ Lipsey, R.G., Chrystal, K. A., *Economia pozitivă*, Editura Economică, București, 1999, p. 184.

of culture and civilisation of a social group. All these contribute to sketching a special psychological profile of the consumer from present day Romania who – after long years of deprivations – has now the possibility to extend his hegemony in a society of “over-having”.

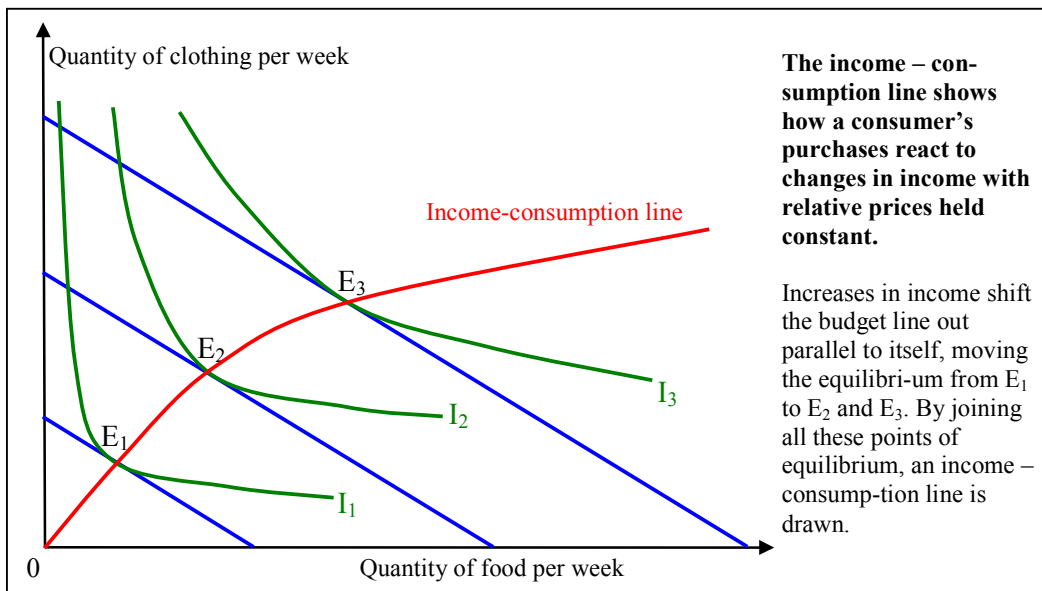


Fig. 1. An income – consumption line

Source: Richard G. Lipsey, K. Alec Chrystal, *Economia pozitivă*, Editura Economică, București, 1999, p. 183.

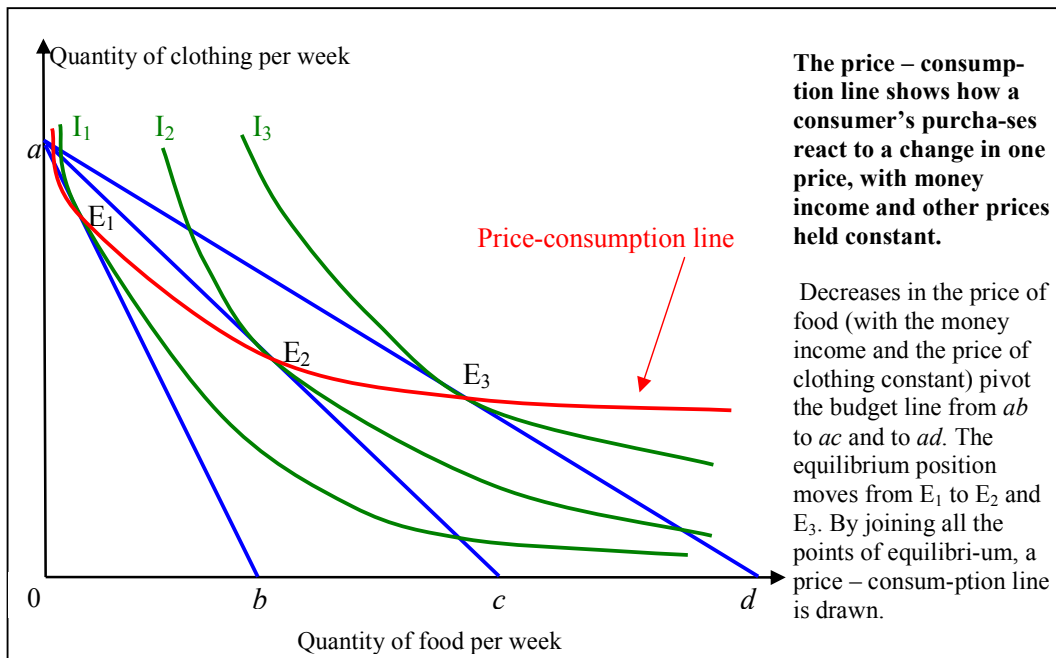


Fig. 2. The price – consumption line

Source: Richard G. Lipsey, K. Alec Chrystal, *Economia pozitivă*, Editura Economică, București, 1999, p. 184.

The shortcomings, discomfort and internal tensions have left their seal upon the individual; they have alerted his senses and have sharpened his attention. Man, in general, and particularly the consumer sees or hears sooner what he needs and wants to see or to hear. Moreover, this also

constitutes the premise from which marketing specialists begin the attempt to come towards his wishes that they analyse and foresee with the aim of conceiving the right product at the right time. Any error has a high price, because even if we assist at the broader and broader recognition of the lack of equilibrium as a normal evolution state of economical life, the maximum diminution of imperfection is required with necessity.

On the market there are thus – at any moment – excesses from the part of the demand and/or supply manifested throughout multiple socio-economical implications. By means of a comparative analysis of the two typologies of economical lack of equilibrium we ascertain the distinct perverse effects that can be generated. Therefore, while the *excess of supply* on the market of economic goods – that is *pressure* – released in conditions of uncertainty generates with priority a lack of safety at the producer's level, because – by reducing the purchasing power of the population – the amount of circulating goods cannot be absorbed, it can be stated that the insecurity burden is transmuted on the purchaser's shoulders if he is confronted with the production diminution and implicitly with the scarcity of goods.

Let us conclude: where there is an excess of demand – that is an absorption process – the consumers will not be able to sufficiently satisfy their aspirations or needs, being obliged to resort to forced substitutions, including compulsory savings due to the lack of options. The natural consequence is constituted by the incapacity to adapt the production to the purchaser's needs, fact that contravenes to the situation marked by the excess of supply – characterised by a fast and elastic adaptation. The “pure” effects of pressure and absorption are shown with a greater suggestive power within Table 1, following the evolution both on short term and on a larger time horizon.

Table 1. „Pure” effects of pressure and absorption

Manifestation field of the effect	Pressure	Absorption
Production volume	On short term, it hampers the increase of the volume.	On short term, it stimulates the increase of the volume.
Expenses – consumptions	Partial lack of use of the resources.	Strained use of the resources. Forced substitutions in consumption.
Quality	It stimulates the introduction of new revolutionary products. It stimulates the quality improvement, quality warranty.	It does not stimulate the introduction of new revolutionary products. It does not stimulate the quality improvement, quality warranty.
Competition	The vendors compete for the purchasers, and the monopolist behaves like a competitor.	The purchasers compete for the vendors, and the vendor of the atomized branch acts like a monopolist.
Adaptation	On short term, the producer adapts to the consumer. New products modify the needs of the consumer.	On short term, the consumer adapts to the producer.
Incertitude	The uncertainty burden is supported by the vendor.	The uncertainty burden is supported by the purchaser.
Selection	The selection is made by the purchaser especially based on selective criteria.	The selection is made by the vendor or by a central administrative institution, especially based on indifferent or counter-selective criteria.
Messages flow	Especially the vendor informs the purchaser.	Especially the purchaser acquires information.

Source: Popescu, C., Ciucur, D., Popescu, I., *Tranziția la economia umană*, Editura Economică, București, 1996, p. 146 (*apud* J. Kornai, *Anti-equilibrium*, Editura Științifică, București, 1974).

In these circumstances, we appreciate that the concept of free economy best reflects the fundamental feature of the action of economic agents. The decisions of the individuals are guided by multiple considerations. In certain situations, the feelings or even the instincts can play an important part. But most of the decisions will appeal in a more or less explicit form to the economic reasoning: confronted with a series of possible choices, the intelligent man will adopt the one that will bring him the greatest probable satisfaction.

The Purchasing Power – Standard of Work Motivation. The Vicious Circle of Poverty

A synthesis of all dramas from the Romanian economy can be found when analysing the balance work – money. Three objectives are directly linked to this balance: making efficient the allocation of resources, better organization of the production of goods and services, and budgetary and monetary austerity. If these aspects are not regulated and if work is not radically regenerated, we will continue to make a bad impression in the reports of the international finance institutions which frequently publish classifications of welfare, having as main criterion the gross domestic product per capita.

The interrogation that comes up is: Why does not the Romanian society “afford” to better pay work? The answer is offered by its incapacity to organise the achievement of superior efficiency. Therein lies the considerable difference between the work pay and the prices level.

The past is a burden to us. Years in a row we have had only a surrogate of competition: the socialist competition. The formalism of this false contest had not any kind of positive effects upon the products quality and the economic efficiency. Not stimulated, work has generated immense damage. Then the jump from central planning to market has taken place, but the fear of changes turned into a disease which became chronic. In such a world, “the individual has the sensation that everything is out of his touch: the understanding of macroeconomic mechanisms for which he himself is a stake, but upon which he has no control; the knowledge of regulatory mechanisms decided in his name, but which goes beyond his understanding power; the ambition to accomplish himself by his work or in his town, which would presuppose however that he masters the conditions of his own life.”¹⁰

It is in the nature of things for people to be preoccupied by wellbeing, to wish to consume more. After decades of exalting the producer, the theory of the consumer – king begun to take roots. It is a law which acts as a tendency. However, the fact that life continues to be tough for the employees with fixed and scarce incomes is dramatic. They are the first ones hit by the prices that are similar in Romania to those from the developed countries, in counter-direction with the work price that remained the lowest in Europe.

Statistical data help us to analyse facts and happenings that compose movements of amplitude: inflation, consumption, production, stocks, incomes. The reality proves to be cruel: on the market, the purchasers look at the prices of the basic goods and are frightened, as the bitter taste the Romanian feels when he determines the ratio between the market prices and the purchasing power of the salary received as reward for his work is not quantifiable.

With the purpose of clarifying the concept of *purchasing power*, we must take into account the extremely sinuous frame that is objectively presupposed by the laws that impress the requirements of a market economy. In other words, the profoundness of the social vices and habitudes planted in people after half of century of dictatorship, as well as the strength of the prejudgments and of the mentality of assisted, have constituted the key-elements, generating perverse effects at the level of the human psychic, respectively “a tenacious resilience in the

¹⁰ Didier, M., *op. cit.*, p. 28.

people's conscience [...] of the social advantages of communism"¹¹. In this context, we consider that the fundamental pillar of the strategy capable of putting into motion the small and large gears of the mechanism of a viable market economy is represented by the capacity itself of the individual to learn to use the attitude and the behaviour most adequate to the situation. According to the observations of Stephen L. Covey: "The transformation – the real change – always takes place <from within – to the outside>... It results from a work that labours at the roots – operating upon our way of thinking, upon the fundamental paradigms which define our character and creates the lens through which we see the world."¹²

Consequently, the substance of ensuring decent life conditions constitutes an issue that dominates any individual organically framed within the society's structure and it is feasible, having as essential premise the understanding of subjective factors that can splinter or stimulate the assemblage of the component pieces from the huge puzzle game of the economy. Only after relieving of the old prejudices and habits, the competition will be able to fully achieve his part as a motor of progress and wellbeing, by liberating the spark that will "light" the entire mental motivational scaffolding. The general tendency of being better becomes the implacable law of each one, and the appetite for consumption is irremediably linked to its satisfaction by work. Only a biunique relationship can exist between production and consumption, because "God made a 'clever' human nature. He put traps to people, inventing needs, desires, pleasures for them. [...] He then gave them the pleasure to live comfortably. And thus he pushed men to work, to be performant, to earn, in order to ensure their welfare."¹³

The requirements of a viable society have as essential premises the fructification of the stimulation capacity of a practically infinite range of needs, pleasures, even caprices, specific to humans, oriented with the purpose to satisfy consumption, but – at the same time – the promotion of a behavioural attitude open to work, by means of diligence and competence. This represents the key for increasing welfare and implicitly the purchasing power. A paradox is the fact that – in the global Romania, that makes the average between the active country and the passive country of the ones abiding in "the waiting room", stone-still in a perpetual inertial state – the production is extremely expensive in the conditions in which the labour market is extremely cheap. But the vicious circle closes with the remark that, even if the wages are really small – in fact – they significantly outrun productivity. The repeated trespassing of the correlation between the increase of the work productivity and the increase in wages creates the basis for an inflationist state which will determine the decrease of the real wages and a severe deterioration of the current account deficit. As a consequence, a dramatic decrease of the purchasing power will take place and will naturally find itself in the deterioration of the motivation for performant work.

The idea which comes back with ostentation in the consumer's mind is – in these condition – only one: How can he disentangle in the labyrinth of needs that often – in the evolution of the human society – manages to surpass incredibly much the palette of possibilities?! An answer, apparently inevitable, can be rendered in the following conclusion: the majority of the Romanians orient themselves towards the cheap wide consumption products, sold in bulk... Up to a certain point, such observation does not contain anything dramatic. The fact that people orient themselves towards cheap products does not constitute in itself a bad thing, if it would not be correlated with a doubtful quality of these products. Judging now these things in a larger context, we can remark the generation of a fund discouraging consumers, amplified by the decrease of the trust of the population in an improvement of the state of the economy, even a pessimism dictated by the difficulty of covering the current expenses.

¹¹ Brucan, S., *Profeții despre trecut și despre viitor*, Polirom, Iași, 2004, p. 60.

¹² Covey, S.L., *Eficiența în 7 trepte sau Un abecedar al înțelepciunii*, Editura All, 1996, p. 300 (*apud* Constantin Popescu, Dumitru Ciucur, Ion Popescu, *op. cit.*, p. 73).

¹³ Vasilescu, A., *op. cit.*, p. 168.

Although they are tired of catching a glimpse of the “light” at the end of the tunnel, and the cost of life is higher and higher, paradoxically, the consumers do not seem to be prepared to abandon their habits, from now on deeply rooted. This statement is based on an interesting sociological approach, according to which – on the background of an authentic “revolution” of needs, triggered at the end of the millennium – a rapid conversion process of what was once considered luxury in current need and, from it, in minimum compulsory requirement has been developed. In other words, the increase of the “wealth” of the community leads directly to the increase of the aspirations level.

In another sequence of ideas, *Engel's law* (illustrated in figure 3) is often cited as referring to the existence of a hierarchy of needs and as explaining exactly this theory which attests making a sustained effort in view of protecting against decline with respect to an earlier position. Let us detail: “When the living standard is low, the most urgent needs – food, clothing, lodging – are satisfied with priority. The increase of the living standard reverberates in the first place towards the goods which are not indispensable, such as free time, transportation, holidays. [...] A consequence of this law is the one that the section of the budget destined to some *relatively useless* goods increases when the income raises.”¹⁴

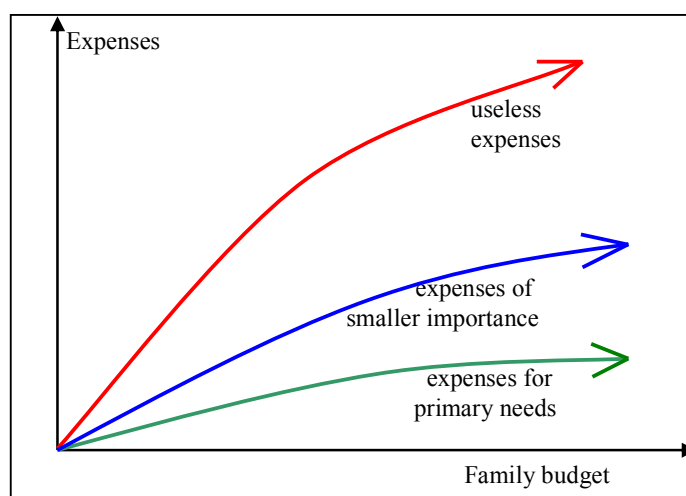


Fig. 3. Engel's law concerning the distribution of consumption expenses

Source: Michel Didier, *Economia. Regulile jocului*, Humanitas, București, 1998, p. 31.

Although the aspect referring to the relative uselessness of satisfying some needs (which inscribe themselves within the sphere of “luxury” needs) does not escape unobserved, renouncing to them – in certain circumstances – can constitute a veritable frustration element which naturally entails two diverse consequences: either sickening and implicitly demotivation in the work process, or boosting and activism in view of a psychical re-equilibration of the individual. A convincing explanation of this state of fact is offered – in another representation field – by Harry Helson, within the theory of the *adaptation levels*. He affirms that a situation which corresponds to some predictable expectations can make us neither happy nor unhappy, because it constitutes a sort of “ground zero” of our spiritual equilibrium. Only the emergence of some more favourable events than the ones foreseen can constitute a source of happiness. On the other hand, the jaggging of this reality – by interposing defective events – generates an escalation process (that Helson names *hedonistic round*), pushing the individual, if not on a superior adaptation level, at least on the previous one, maintained by modelling the behaviour in this direction. “The paradoxical conclusion would be that the happiness obtained in a given moment augments the chances of the future unhappiness, because it pushes us on superior

¹⁴ Didier, M., *op. cit.*, p. 31.

adaptation levels, where the perspectives of a lasting happiness become more and more reduced”¹⁵ This theory can constitute the root or the priority motivation at the level of many complaints regarding the injustice of the market economy results, motivation concretised by “the request of protection against an unmerited loss of a position already obtained”¹⁶.

The conjectural texture described creates in the present day society – by pulverizing the social barriers – the premise (which transforms itself in tendency) of generalising the living standard, having as pattern not a minimum level, but the standard which became norm in the collectivity. The generated paradox is translated by the increase in the relative poverty, as a perverse effect of democratisation.

In a reality marked by disorder, the individual awakens in front of some insoluble problems and feels without compass face to face with the unpredictable valences of the concept of *purchasing power*. The liberalisation of prices was released in Romania at the 1st of November 1990. Since then, the prices rose and rose, advancing continuously, either with correction speeds, necessary for the passing from the command economy to the market one, either with accommodation speeds, in order to connect to the temperature indicated by the economic results. The consequence has been catastrophic: the prices have exploded and inflation searched for new propulsion channels as inevitably the assumed risk has been a major one. “A supplementary, i.e. uncovered, sum of money that is not supported on a volume of material values [...] contains in germ the possibility of triggering an inflationist process. One of the effects is constituted by the diminution itself of the purchasing power of the currency.”¹⁷

In order to bring a plus of clearness in explaining the concept previously used, we will give priority to the value (qualitative) relationship between currency, the price of goods and services and the incomes obtained from a subject to another. In addition, in the term’s definition, the distinction between *nominal salary* and *real salary* is operated. According to it, “the *nominal salary* (*SN*) is the sum cashed by the employee, and the *real salary* (*SR*) is the quantity of goods and services that can be acquired with the nominal salary corrected with the prices index (*IP*) (cost of life). This one expresses the purchasing power of the employees”¹⁸, quantified by means of the evolution of the real salary index, I_{SR} , determined with the relationship (where I_{SN} is the nominal salary index, and I_{PBC} – consumption goods prices index):

$$I_{SR} = (I_{SN} / I_{PBC}) \cdot 100 . \quad (1)$$

Transposing into words the mathematical relationship (1), we can conclude with the observation that an optimal policy in a catalaxy (specific term in defining the spontaneous order of the market) can aim (and must aim) at increasing the chances of each society member, taken randomly, to have a real income as high as possible. The modification of this income exerts an extremely powerful influence on multiple planes, representing the main variable upon which the consumption demand depends.

In connection with the normal function of the consumption demand, John Maynard Keynes underlined that there is a fundamental psychological law, in the virtue of which “as a rule and on average, people are inclined to augment their consumption when their income increases, but not as much as the income rises”¹⁹. This presupposes that the increase in consumption – noted ΔC – is directly proportional with the increase of the available income – noted ΔVD –, but

¹⁵ Dinu, M., *Fundamentele comunicării interpersonale*, Editura All, București, 2008, p. 26.

¹⁶ Iliescu, A.P., (coord.), *Filosofia socială a lui F.A. Hayek*, Polirom, Iași, 2001, p. 21.

¹⁷ Vasilescu, E., *Managementul proceselor monetare și teoria inflației*, Editura „Curtea Veche”, București, 1993, p. 234.

¹⁸ Angelescu, C., Ciucur, D., Dobrotă, N. et al., *Economie*, ediția a V-a, Editura Economică, București, 2000, p. 175.

¹⁹ Keynes, J.M., *Teoria generală a ocupării forței de muncă, a dobânzii și a banilor*, Publica, București, 2009, p. 125.

smaller as value, which shows the way to obtaining a positive and under-unity ratio $\Delta C/\Delta VD$. It resulted, in fact, the *marginal consumption rate* or the *marginal inclination towards consumption*, c' , expressed by the following mathematical relationship:

$$c' = \Delta C / \Delta VD < 1 . \quad (2)$$

At the same time, a higher absolute level of the income tends as a rule to enlarge the discrepancy between income and consumption. This thing takes place just because satisfying immediate basic needs of men have the precedence, undermining the impulses towards savings, which enter in force only after a certain level of wellbeing was attained. We can thus talk about a “rupture level” of the income, considered as a landmark in the decisional actions of the individual who can opt for consumption or/and saving, as a function of his anticipations linked to the evolutive route of the proportions between incomes, prices or supply of present and future goods. The “rupture threshold” separates the unsaving process (financed from funds previously collected) from the positive proper saving.

To have a plus of clearness, we can define the *marginal savings rate* or the *marginal inclination towards savings*, e' , as being “the measure in which the savings augment (ΔE) at an increase with one unit of the available income (ΔVD), or the fraction from the available income with which the savings rise in a certain period and in a given socio-economical space.”²⁰

$$e' = \Delta E / \Delta VD < 1 . \quad (3)$$

It is interesting to remark that, in principle, taking into account the natural inclination of the individual to fructify the present moment, not in favour of the future opportunities and pleasures, dominated by uncertainty and risk, the marginal consumption rate will be higher than the marginal savings rate. Whatever the conjunctural texture in which it operates, the purchasing power represents however a sine qua non element which decisively influences the attitudinal orientation of the individual towards work, towards money.

Selling of products at the real price – determined by the relation between demand and supply (and not at the one tricked by the state) – constitutes indeed a situation inscribed in the normality of the present society, but, in the particular case of a chronic lack of equilibrium between demand and supply, the following question arises inevitably: How it is better, to have purchasing power and to have nothing to purchase or not to have purchasing power and to have temptations at every step?

History has demonstrated the lack of viability of the first variant, proved – due to its consequences – unacceptable on a relatively longer term. Let us remember long decades in which the prices of goods did not depend upon the natural game of the market, being held in place for ideological reasons. The myth of the “stabilisation” of prices and money has led naturally to discouraging production. The under-production crisis, translated in the scarcity of goods, associated with the growing amputation of imports, has determined people to save money due to the lack of options in using them rationally. The suppression of the appetite for consumption has inhibited the appetite for work of the individual, encouraging truancy, neglect and frauds.

Even if, in time, “many Romanians have forgotten the queues in front of the food stores to grasp the ration of sugar and oil or the bag with chicken legs or ‘adidas’, they have forgotten hunger and the cold from the houses”²¹, disregarding the great liberties from after 1989, the second variant corresponds to the natural trajectory registered by the civilisation progress that was accompanied (excepting the period of socialist planning) by a constant reduction of the sphere in which the individual actions are subjected to fixed rules. “From the primitive man, who was bonded to an elaborated ritual in developing almost each of its daily activities, who was limited

²⁰ Angelescu, C., Ciucur, D., Dobrotă, N. *et al.*, *op. cit.*, p. 228.

²¹ Brucan, S., *op. cit.*, p. 60.

by countless works and who would have hardly conceived at least to do the things differently than his fellows, the moral tended more and more towards the simple limits which circumscribe the sphere in the interior of which the individual can behave as he likes.”²²

On this reasoning ground, the remediation and the optimization of the second situation can be achieved by means of a real increase of the people’s income, but this thing is conditioned by mounting the efficiency and work productivity which, in their turn, can also refresh the supply of material goods and services. It is certain that, in the absence of an adequate motivational code, without performant products, and with deteriorated work behaviour, the question “When will the Romanians be able to consume without restrictions?”, continues, in the field of the theoretical debate, to remain without an answer, at least from the perspective of the fact that the social need always manifests itself as volume and structure prior to production. However, we must insist for an augmentation of the social work productivity based on the increase and diversification of the physical production.

Conclusions

An interesting perspective for approaching the appetite for consumption specific to the current Romanian society is constituted by its conversion into one of the codes which places the individual within the social hierarchy. The social function of consumption has thus grown at the same time with the development and amplification of the preferences for useless and ostentatious goods. Such a thing provokes mutations at the level of the human psychic which, when trying to internalize a specific way of life, throws himself in the race of often satisfying some artificial needs. In this context, the restraints imposed by our relative poverty become discernible just by means of limiting the money income, money being the symbol of these restraints.

Against the background of the serious lack of equilibrium between money and ware existing in the centrally planned economy in which people were saving due to the lack of options, we encounter today a perverting of the same deficiency, obtained however by values upsetting. In a society in which the hegemony of the consumer-king obtained a tentacle aspect, the difficulty consists in the incapacity – often aggressive – of satisfying the needs which are in a biunique relationship with the tendency of increasing the variety of goods and services. Product solvency therefore becomes the priority imperative, without falling into the trap of mystifying reality by frequently associating the accumulation of goods and the abundance or wellbeing.

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Psihologia consumatorului și puterea sa de cumpărare – repere ale motivației în muncă

Rezumat

Pornind de la asumția instituirii securității economice drept prerogativă fundamentală a existenței ființei umane în societate, articolul de față își propune să suplimenteze semnificația socială pe care potențialul de consum o posedă, printr-o încărcătură simbolică aparte, tradusă prin categorisirea statutară și poziționarea în ierarhia socială a unui individ. Psihologia consumatorului comportă mutații specifice noului stil de viață, integrând apetența pentru satisfacerea unor nevoi „artificiale”, induse prin căutarea abundenței. Se definește în continuare conceptul de „putere de cumpărare”, corelându-l cu propensiunea unei autentice „revoluții” a nevoilor, care determină individul să își remodeleze mentalitatea și conduita în vederea evitării situației perverse de internalizare a sărăciei. Acesta este contextul în care banii se convertesc într-unul dintre cele mai puternice instrumente de obținere a libertății inventate vreodată de om.