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PETER SINGER

Altruism and Commerce:
A Defense of
Titmuss against Arrow

Kenneth Arrow's discussion¹ of *The Gift Relationship* by Richard Titmuss² is to be welcomed because it draws attention to this remarkable book. Ostensibly, the book is a comparison of voluntary and commercial means of obtaining blood for medical purposes, but by means of this comparison Titmuss succeeds, as Arrow says, in raising "the largest descriptive and normative questions about the social order in a highly specific and richly factual context" (p. 362). Although Arrow praises the endeavor, he is not very keen on what Titmuss actually says about these issues. I wish to defend Titmuss against some of Arrow's criticisms.

First, there are some minor points on which Arrow does not appear to have read Titmuss with sufficient care. Twice Arrow claims that Titmuss, though critical of particular aspects of the United States blood supply system, fails to indicate whether the situation is different under the fully voluntary British system (pp. 361-362). In fact, Titmuss does make the comparison both times, once quite explicitly, and once implicitly.³ Then, after noting the evidence Titmuss gives that there is far greater wastage of blood (a perishable commodity) in the American system, Arrow states that no theoretical explanation of the link between wastage and a commercial system of obtaining blood is given, and that he, Arrow, cannot conceive what the link

1. "Gifts and Exchanges," *Philosophy & Public Affairs* 1, no. 4 (Summer 1972): 343-362. All otherwise unidentified page references are to this article.

2. (London and New York, 1971.)

3. *The Gift Relationship*, pp. 206-207 and 23.

could be (p. 356). Titmuss does offer an explanation: because blood is perishable, efficiency depends on a regular and predictable source of supply, and commercial systems tend to pick up a much higher percentage of irregular "Skid Row" types than do voluntary systems.⁴ This explanation may not be accepted, but it should at least be recognized that one has been offered.

The first major criticism Arrow makes concerns the view, advanced by Titmuss, that the introduction of "the laws of the marketplace" into an area like the supply of blood means that men are no longer able to give their blood freely and altruistically. Instead, Titmuss says, they are "coerced and constrained by the market." By contrast, in a voluntary system donors "signify their belief in the willingness of other men to act altruistically in the future and to combine together to make a gift freely available should they have a need for it."⁵

Arrow, on the other hand, defends the economists' assumption that "since the creation of a market increases the individual's area of choice it therefore leads to higher benefits." The existence of a commercial system in addition to a voluntary one, according to orthodox economic ideas, gives everyone the freedom to choose whether to sell their blood or donate it freely. It does not impair anyone's right to give; it merely provides an alternative if it should be wanted. Against Titmuss's claim that we must choose between the freedom of the marketplace and the freedom to give altruistically, Arrow says: "I can find no support in the evidence for the existence of such a dilemma. Indeed, it is not easy to see what kind of evidence would be relevant" (p. 350).

Perhaps the way in which Titmuss puts the dilemma is misleading. To talk as if the choice is between incompatible *freedoms*, or between a "right to give" and a "right to sell," seems a distortion of the language of freedom and rights. If Arrow had limited himself to pointing out that we are still *free* to give even when others are selling blood, that we can still exercise the right to give *if* we choose to do so, one could agree with him. Even if the issue is not one of choosing between incompatible freedoms, however, there remains a real dilemma; for what Titmuss is really asserting is that a voluntary system fosters attitudes of altruism and a desire to relate to, and help,

4. *Ibid.*, p. 22.

5. *Ibid.*, p. 239.

strangers in one's community. While a voluntary system, Titmuss alleges, fosters these attitudes and creates opportunities for their expression, a commercial system would have the opposite effect. The laws of the marketplace discourage altruism and fellow-feeling. Even if the opportunity to give still existed, the attitude toward giving would no longer be the same.⁶

It is with regard to this latter claim, as well as the formulation of the dilemma in terms of a choice between freedoms, that Arrow finds "no support in the evidence."

The extent to which it is reasonable to demand conclusive or very strong evidence before a proposition is taken seriously must vary with the nature of the proposition that is being considered. In a case like the comparison of blood supply systems in different countries, where controlled experiments are impossible and the factor under examination can never be isolated from other differences between the systems, it is unreasonable to demand conclusive proof or anything near it. *Some* genuine evidence there must of course be, before we accept, even tentatively, the view that a commercial system discourages altruism; but once there is some evidence, the onus is on whoever denies this to produce counterevidence.

Evidence of this sort, inconclusive but still significant, is to be found in *The Gift Relationship*. It consists, first, in the contrasting trends to be found in the statistics on voluntary donors in England and Wales, on the one hand, and in the United States and Japan on the other; and second, in the statements of the British voluntary donors themselves. A brief account of this evidence follows.

The demand for blood has risen sharply in recent years, partly as a result of new surgery techniques, partly for social and economic reasons. In England and Wales, where all donors are unpaid, the number of donations has increased sufficiently to cover this increased demand. Since 1948, when the National Health Service was introduced, and 1968, the number of donations has increased by 277 percent; and between 1961 and 1967 (a period chosen for comparative purposes) the increase was 31 percent.⁷ Thanks to the increase in volunteers, Titmuss tells us, the National Blood Transfusion Board

6. Titmuss has confirmed this interpretation in a private communication.

7. *The Gift Relationship*, pp. 42-43.

"has never consciously been aware of a shortage, or an impending shortage of potential donors."⁸ Over the same period from 1961 to 1967 in the United States, on the other hand, while commercial banks and community banks with over 50 percent paid donors collected increased supplies, the number of units of blood collected from other banks, relying mainly on unpaid donors, actually fell.⁹ (By 1967, only 9 percent of United States donors were truly voluntary.) In New York, the only city to have published sufficient figures to indicate a trend, voluntary community donations fell from 20 percent of total supplies in 1956 to 1 percent in 1966.¹⁰ The rise in commercial supplies has not been sufficient to compensate for the fall in unpaid donations and to cope as well with the increased demand; the consequence has been serious shortages.¹¹

In Japan, the decline in unpaid donors has been even more acute. Prior to 1951, apparently, donors were not paid, but at that time the need to supply blood to American forces in Korea led to the introduction of payment. Now 98 percent of all blood is paid for, and the shortage of blood is said to be still more critical than in the United States.¹²

The overall picture, then, is that where payment for blood is unknown, the number of voluntary donors has risen and kept pace with the increased demand; whereas when the opportunity to give freely exists alongside the buying and selling of blood, the number of volunteers falls sharply and can only with difficulty, if at all, be made good by increases in the amount of blood bought. This suggests that to pay some people for their blood does discourage others from giving it altruistically; or alternatively, that a purely voluntary system encourages altruism in a way that a mixed commercial-voluntary system does not.

Arrow demands not merely evidence, but (p. 351) "at least a minimum of theoretical analysis. *Why* should it be that the creation of a market for blood would decrease the altruism embodied in giving blood?" The second kind of evidence to be found in *The Gift Relationship* is concerned with the motivation of voluntary donors in Britain. As such, it may help us to understand the connection between

8. *Ibid.*, p. 120.

11. *Ibid.*, pp. 39-40.

9. *Ibid.*, p. 59.

12. *Ibid.*, p. 156.

10. *Ibid.*, p. 96.

altruism and the voluntary system while at the same time supporting the claim that there is such a connection.

This evidence comes from a questionnaire survey of blood donors in England taken by Titmuss and his associates.¹³ One question asked was: "Could you say why you *first* decided to become a blood donor?" Statistically, all that can be said is that nearly 80 percent of the 3,800 answers Titmuss collected indicate that the respondent was motivated by a high sense of social responsibility toward the needs of others. It is true that these people might have continued to give blood unpaid, and for the same reasons, even if a commercial system existed along with the voluntary one; but it is worth noting (although no statistical significance is being claimed here) that at least some of the answers do suggest a connection between the special status of blood under the voluntary system, and the motivation of the donors. For instance, a young married woman, a machine operator earning £15 to £20 per week, replied:

You cant get blood from supermarkets and chaine stores. People them selves must come forward, sick people cant get out of bed to ask you for a pint to save thier life so I came forward in hope to help somebody who needs blood.

Despite her obvious lack of education, this woman expressed the essential point Titmuss is making: in Britain the supply of blood is outside the otherwise pervasive supermarket society. No matter how much money you have, you can't buy yourself a pint of blood. You must rely on the altruism and good will of others to provide it for you. Once commercial blood supplies are introduced, even though the voluntary system may continue to operate as well, this situation has been altered. Provided you have money, you do not then need the altruism of your fellow men and women, since you can buy the blood you need. So commerce replaces fellow-feeling. Marx was well aware of this effect of commerce, and described it vividly:

The extent of the power of money is the extent of my power. Money's properties are my properties and essential powers—the properties and powers of its possessor. Thus what I am and am

13. *Ibid.*, pp. 226-235, 276-320.

capable of is by no means determined by my individuality. I am ugly, but I can buy for myself the most beautiful of women. Therefore I am not ugly for the effect of ugliness—its deterrent power—is nullified by money. . . . That which I am unable to do as a *man* . . . I am able to do by means of *money*. . . . Money, then, appears as this overturning power both against the individual and against the bonds of society. . . . Assume *man* to be *man* and his relationship to the world to be a human one: then you can exchange love only for love, trust for trust, etc.¹⁴

We do not, however, need to go into the Marxist theory of money as an alienating force in order to understand how a voluntary blood supply system—or more generally, a system of free medicine like the British National Health Service—may strengthen feelings of community and mutual interdependence. I think it is clear that the woman whose reply has been quoted would have been less likely to give her blood if blood were a marketable commodity. Some of the other responses to Titmuss's questionnaire indicate this in different, though equally direct, ways:

I get my surgical shoes thro' the N.H.S. This is some slight return and I want to help people (an insurance agent).

To try and repay in some small way some unknown person whose blood helped me recover from two operations and enable me to be with my family, thats why I bring them along also as they become old enough (a farmer's wife).

No man is an island (a maintenance fitter).¹⁵

14. Karl Marx, *The Economic and Philosophic Manuscripts of 1844*, trans. M. Milligan, ed. D. J. Struik (New York, 1967), pp. 167-169. (For more on the same theme, see also the section entitled "The Power of Money in Bourgeois Society.") I think this quotation shows that Titmuss himself is unfair to Marx when he relates the commercially minded attitude to blood supplies in the Soviet Union to Marx's theory of the commodity (*The Gift Relationship*, p. 195).

15. *The Gift Relationship*, pp. 227-228. In discussing the percentage of British donors who are fully voluntary, Arrow notes that in the case of 28 percent of British donors either they or their family have received blood transfusions (p. 347). Since this remark follows immediately on the comment that Titmuss has not classified British donors in a manner comparable to his classification of United States donors, it implies that Arrow would put these British donors into

The nature of these replies—not the mere fact that the donors were altruistically motivated, but their attitudes toward the National Health Service in general and the Blood Transfusion Service in particular—is evidence that at least for some people the possibility of others buying and selling blood would destroy the inspiring force behind their own donations. At the same time, these replies enable us to understand *why* the existence of a commercial system could be expected to make a difference. The idea that others are depending on one's generosity and concern, that one may oneself, in an emergency, need the assistance of a stranger, the feeling that there is still at least this vital area in which we must rely on the good will of others rather than the profit motive—all these vague ideas and feelings are incompatible with the existence of a market in blood. Do we really need any further "theoretical analysis"?

Arrow is critical of Titmuss for favoring the voluntary system on broad grounds of principle, unsupported by adequate statistical evidence. Yet Arrow has his own opposite preferences, at least equally unsupported. Arrow frankly admits that:

. . . like many economists, I do not want to rely too heavily on substituting ethics for self-interest. I think it best on the whole that the requirement of ethical behavior be confined to those circumstances where the price system breaks down. . . . Wholesale usage of ethical standards is apt to have undesirable consequences. We do not wish to use up recklessly the scarce resources of altruistic motivation . . . (pp. 354-355).

the same category as those in the United States who are replacing blood received by themselves or their relatives, and whom Titmuss does not count as fully voluntary. This seems to be another oversight on Arrow's part. Titmuss does classify British donors in exactly the same terms as United States donors, and concludes that 99 percent—all but the donations of prisoners, who may be under some external pressure—are fully voluntary (*The Gift Relationship*, p. 130). The point is that in Britain people who need blood get it irrespective of whether they have given blood, or undertake to give it in the future; in the United States various schemes exist under which unpaid donations either replace blood received that would otherwise have to be paid for, or are a form of credit in case one needs blood in the future. This is why "reciprocal" donations in the United States could have a purely self-interested motivation, whereas in Britain they are a sign of community feeling.

Arrow offers no evidence or theory for the view that altruism resembles, say, oil in being a scarce resource, the more of which we use the less we have. Why should we not assume that altruism is more like sexual potency—much used, it constantly renews itself, but if rarely called upon, it will begin to atrophy and will not be available when needed? It is this latter simile which consideration of my own feelings leads me to favor. I find it hardest to act with consideration for others when the norm in the circle of people I move in is to act egoistically. When altruism is expected of me, however, I find it much easier to be genuinely altruistic.

Indeed, there is experimental evidence for the view that altruism fosters increased altruism. Psychologists have found that if they set up situations calling for an altruistic response—for example, a woman looking helpless beside a broken-down car—more people will respond with offers of help if they have recently witnessed someone else behaving altruistically in a similar situation (i.e., because the experimenters put a man helping a woman to change a tire back down the road) than if they had not witnessed an altruistic act.¹⁶ These results, hardly surprising results really, give some support to Titmuss's view that the opportunity for altruism promotes further altruism, and count against the idea that altruism is a finite resource.

Finally, I would like to touch upon an important theoretical issue raised by *The Gift Relationship* which Arrow did not really discuss. Can economic analysis be value free? The whole approach Titmuss takes to the particular subject of blood supply systems is based on the conviction that it cannot be. Titmuss disputes the claims of "value-free" economics because he is concerned to defend Britain's voluntary system against criticisms by right-wing economists who purport to show the superiority of the commercial system on purely economic grounds. In a study called *The Price of Blood* commissioned by the Institute of Economic Affairs,¹⁷ the authors maintain that "the simplest tools of economic analysis" support the view that human blood

16. A summary of this and other experiments along similar lines may be found in D. Wright, *The Psychology of Moral Behavior* (London and Baltimore, 1971), pp. 133-139.

17. M. H. Cooper and A. J. Culyer, *The Price of Blood* (London, 1968); cited by Titmuss in *The Gift Relationship*, p. 195.

is an economic good and that a commercial system is superior on purely economic grounds.

Titmuss refutes this view on its own terms before challenging the whole approach to the topic. He is able to show that the cost per unit of blood is between five and fifteen times higher in the United States than in Britain; moreover this blood is much more likely to be contaminated and infect the recipient with hepatitis. All this can be demonstrated without raising questions of values. What cannot be demonstrated in this way, and what therefore put limits to the scope of value-free economics, are the social utilities involved in the possibilities for altruistic behavior which are lost when economic relations are substituted for voluntary donations. Here we must ask ourselves not "How can we obtain the most blood at the least cost?" but "What sort of society do we want?" No value-free science can answer this question; at the same time, no investigation into the economics of methods of obtaining blood which, by ignoring the larger issue, gives the impression that these social utilities don't matter or are not relevant, can claim to be value free. Even if it is true that we do not have sufficient evidence to allow us to regard the connection between methods of obtaining blood and social attitudes of altruism as definitely established, this does not allow us legitimately to disregard any such connection for the purpose of recommending, say, the creation of a commercial system alongside a voluntary one. For to disregard such a connection would be to assume that none exists; and at the very least, the evidence Titmuss has produced gives rise to a presumption that there is some connection. Unless this presumption is rebutted, the nature of a community's blood supply cannot be considered a purely economic issue.