

Consumption in the economy



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ABSTRACT

This article aims to analyze and understand the aspects of consumption of a society, in economics and sociology, which indicate which direction it is heading in quality, but obeys instinct in its animality. The methodology used was readings of books, articles and other forms of knowledge about individual and family consumption. Hence, the summaries were analyzed in soliloquy, confronting with reality, put forward to understand the consumer's daily life. Some objectives are important in the consumption function, such as: the concept, the historical issue, time and the internet in inducing it to implement it. Thus, it is expected an aggregation of discussions in Universities, to understand how social consumption is conducted, which pleases at first glance and enters into line of use.

Keywords: Economy, Consumption, Sociology and history.

INTRODUCTION

This article aims to analyze and try to understand the aspects of consumption of society in all times, within the principles of economics, as well as sociology, which indicate the directions in which the consumption of the surviving man is headed, who demands quality, but obeys his instinct in his animality.

The methodology used in this work was readings of scientific books, articles and other forms of knowledge, on the issue of individual and family consumption; then, summaries were made and analyzed, debated in soliloquies; because, in a simple statement, he confronted himself with the reality posed, to understand the day to day in terms of consumption.

Some objectives are important to better characterize the issue related to the consumption function, such as: understanding the concept, verifying its historical issue, the behavior at all times; as well as the influence of the *internet* in the induction to implement the consumption of citizens at its various levels.

What is known today is that the media exerts a great influence on the consumption of society as a whole; objectively, in youth and in children who are induced by the color and the form of

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presentation in terms of novelty, to those who are carried by the instinct of apprehension to the eyes, of those who do not know a certain object.

Thus, it is hoped that this article will serve to implement a discussion in investigative academies, to understand the way consumption is conducted, in the midst of a society, which is faced with an avalanche of unknown utensils and that pleases it at first sight and immediately enters the line of immediate consumption.

CONSUMPTION FOR THE ECONOMY

Since the human being began its emergence on planet earth, it has needed food for its survival, its maintenance, as a living being; hence, consumption, food initially, then clothing, housing and knowledge of the forest for the implementation of health through herbs, bushes.

Human consumption has passed, and still does, through several phases over time, from its food imitation to the current sophistication, which is significantly diversified. It was in this process that food emerged as consumption for final use and intermediate consumption, which participates in the manufacture of other consumer or capital goods.

In the course of time, there is an idea that individual or family consumption would be an intrinsic need for a family group, with all the characteristics belonging to all groups. Thus, the first philosophy to deal with this subject was atomistic (Leucippus and Democritus, 5th and 6th centuries B.C.), that is to say, they are all strongly similar, not to say equal, in their aggregate.

Atomism was brought from chemistry to explain the movement of society, it used a human being to explain the whole, that is, everything that happens to one, from the family group, happens to the whole. All of this is marked by the individual characteristics of vanity, pride, envy, arrogance, arrogance, preference, taste, which the human being conducts inside, in his nature, with the same reasoning for all.

Subsequently, the classics (Smith, 1776) clung to this model to characterize the human consumer, whose changes would be infinitely small to demonstrate transformations in social consumption. Therefore, the consumer is considered typical or model, in his representation of the whole; because any variation in prices, in income, would not affect society in any way.

The neoclassicals (Jevons, Menger and Walras, 1870) positioning themselves with respect to the style of consumption, he works on the utility detached from a human being, in his pleasure in getting a product. In the face of this, utility has emerged, in its decreasing marginal range; This means that utility increases for a consumer when its increases are smaller and smaller, reaching saturation.

In 1899, Thorstein Veblen worked on conspicuous consumption (prestigious), in his book "The Theory of the Leisure Class" when referring to an agent who has a high level of income; At the



same time, he makes use of it, as a means of ostentation in his consumption (high-value goods), as a way of differentiating himself from other individuals in society, where he is inserted and appears as an important figure. This is already the demonstration effect, which was put into effect much later, by other economic scientists.

Still, one of the first to improve the concept of human consumption was Keynes (1936), with his marginal propensity to consume, which characterizes how much of a consumer allocates his income to group consumption. Hence, the person can insinuate that the investment grade depends on the level of consumption that a person emits, leaving little margin for savings, consequently, the investment.

In the treatise developed by Keynes, he analyzed the effective demand, the one that was being executed, to show that insufficient aggregate demand would generate unemployment and economic stagnation. He made it clear that effective demand is determined by the marginal propensity to consume; because, with a low effective demand, companies reduce production and employment, creating recession.

Another illustrious economist who worked on the consumer issue was Duesenberry (1949) when explaining the *demonstration effect*, which marked its presence in the economy. His book deals with "*Income, Saving and the Theory of Consumer Behavior*" without mathematically explaining the concept of marginal utility in this case, of consumers in the market. Thus, advertising and advertising on TVs had their importance in the dissemination of the demonstration effect.

Another researcher of the consumption function, or "life cycle model" was Ando-Modigliani (1961) when he reported the assumption that consumption expenditures are relatively constant, with regard to current income fluctuations, which means that these expenditures are not achieved, so that one earns at the present time, but by what is earned on average. This also considers the issue of savings in your life trajectory in a schedule until old age, or retirement.

Next, there is another important name for the analysis of the consumption function, which is that of Friedman (1957), when he reports on how individuals perform their behavior in terms of consumption, about long-term opportunities and not with respect to current income, when accepting a stable consumption flow. Thus, current income is divided into: permanent (the average expected over time) and transitory (oscillation in the lathe, at each moment).

Among many existing researchers, those of Hall (1976) and Flavin (1981) appear, when the former explains the rational expectations, in view of present consumption, regarding the value and the interest rate and the discount rate are equal to zero. The second comments on the relationship between consumption and income, considering rational expectations; He adds that the consumption series follows randomly and concludes that consumption would have an "excessive sensitivity" correlated with current income.



In short, the dynamics of consumption, or the consumption of a society, needs more research, to get closer to a reality that theories or models try to achieve. In the modern world and with the advancement of computation or the *internet*, the demand for consumption is very strong, especially in the lower social stratum, since the demonstration effect above all forces the products to dissolve more quickly within the evolving consumerist society.

FINAL CONSIDERATIONS

To conclude this work, some points that were considered important are necessary, to better understand the conception of consumption in its various nuances, from ancient history to modern times as a consumption caused by the information network or *internet* of today.

As is already well known, consumption in the early days of humanity was related to family maintenance, or survival and this lasted a long time, that is, what was necessary for that moment to cure hunger was harvested, this daily demands what to consume to stay alive and tomorrow arrive.

Obviously, over time, the man becomes sedentary, begins a production process for more advanced family consumption and gets some surplus to acquire what the group does not yet produce, such as: oil, fabric, household furniture, a match and many other things that other groups produced, for consumption outside the family.

Nowadays, there are many ways to direct a product to the consumer, sometimes forcing the human being to buy some goods that, perhaps, he would not like to have bought, that is, through enticement, advertising, intensive advertising, spurious dissemination, even reprehensible by the consumerist society.

Technological changes have frighteningly multiplied the quantity and quality of products on the market and this sharpens the consumerism of the vain, proud population, often without the power of choice, with products with a predetermined existence, with a significant load of obsolescence, in their fragility and little durability.

In addition, the *internet* with social networks has provided a frenetic dissemination to people in all parts of the world, above all, inculcating in adolescents an intransigent pressure to search for some goods, even if it is thousands and millions of kilometers away, with a color and structure that incite an exaggerated consumerism for everyone.

Finally, everything has changed in today's times, leaving the human being without independence, inflexible and without self-affirmation in everything he thinks and sees, when considering that international communication is very strong, exciting, weakening the economy and political relations that all social groups are subjected to such intransigence, it seems that programmed and directed to programmed subservience.



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