

Development in Practice Module is guided by two premises:

- a) Neither the approaches to development nor the methods are neutral;
- b) Power is embedded in the process whereby development priorities are defined.

From above it follows that development will always be a normative cause which involves different types of ethics and social justice. Development management, is an intentional process for imposing a developmental cause

The development process, which is not neutral, evolves within a **structure** which limits the political actions of **agencies**.

Institutions adequate to the structure, make possible the relative stability of the process as being challenged by agencies.

In the above context,

"**agencies**" refers to the capacity of individuals to act independently and to make their own free choices;

"**structure**", refers to the socio-political-economic-cultural arrangements which limit the choices and opportunities that individuals possess.

Development processes will be challenged by individuals in terms of ideas of justice which will include economic justice, social justice, political justice, racial justice, religious justice, etc.

An agency-structure conflict will appear

Definitions of social justice, based on definitions of ethics, will be the foundations of the structural development process and the development process challenging the structural.

What we are witnessing today is an agency-structure conflict in a capitalist globalised world

The idea of justice as a social reasoning for arguing what can make societies less unjust

The main argument of this lecture is along the lines that the idea of justice is built upon searching for ways of reducing injustice, particularly within the tradition of Adam Smith and Karl Marx, whose main line of reasoning was attempting to scrutinize our moral sentiments for uncovering the influence of vested interest, and the impact of entrenched tradition and custom.

For uncovering, also, that ethics and justice are not neutral.

Useful readings: Adam Smith, 1759, “Theory of Moral Sentiments”; Karl Marx, 1859, “A Contribution to the Critique of Political Economy”, and Amartya Sen, 2009, “The Idea of Justice”

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From Adam Smith:

“This disposition to admire, and almost to worship , the rich and powerful, and to despise , or , at least neglect persons of poor and mean conditions, **though necessary both to establish and to maintain the distinction of ranks and the order of society**, is, at the same time, the great and most universal cause of the corruption of our moral sentiments.”

Adam Smith, “Theory of Moral Sentiments”, Part I, Section III, Chapter III

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From Karl Marx:

“In the social production of their existence, men inevitably enter into definite relations, which are independent of their will, namely relations of production appropriate to a given stage in the development of their material forces of production.

The totality of these relations of production constitutes the economic structure of society, the real foundation, on which arises a legal and political superstructure and to which correspond definite forms of social consciousness.

The mode of production of material life conditions the general process of social, political and intellectual life.

It is not the consciousness of men that determines their existence, but their social existence that determines their consciousness.”

(Marx, “A contribution to the critique of the political economy”)

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From Amartya Sen:

....”the answers that a transcendental approach to justice gives – or can give – are quite distinct and distant from the type of concerns that engage people in discussions on justice and injustice in the world (for example, iniquities of hunger, poverty, illiteracy, torture, racism, female subjugation, arbitrary incarceration or medical exclusion as social features that need remedying). “

Amartya Sen (2009) “The Idea of Justice”, Allen Lane, p. 96

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Therefore I propose a moral compass for social justice as stated by the Human Development Report 2000 (UNDP), page 1

- 1) Freedom from discrimination – by gender, race, ethnicity, national origin or religion.**
- 2) Freedom from want – to enjoy a decent standard of living.**
- 3) Freedom to develop and realize one’s human potential.**
- 4) Freedom from fear – of threats to personal security, from torture, arbitrary arrest and other violent acts.**
- 5) Freedom from injustice and violations of the rule of law.**
- 6) Freedom of thought and speech and to participate in decision –making and form associations.**
- 7) Freedom for decent work – without exploitation**

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UNDP states the conceptual framework of its moral compass as follows: (Human Development Report 2000 (UNDP), page 2)

“Human freedom is the common purpose and common motivation of human rights and human development.

The movements for human rights and for human development have had distinct traditions and strategies.

United in a broader alliance, each can bring new energy and strength to the other”.

And then in Human Development Report 2007/2008 the following dimension was added to UNDP moral compass:

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“The Human Development Report 2007/2008 shows that climate change is not just a future scenario. Increased exposure to droughts, floods and storms is already destroying opportunity and reinforcing inequality.

Meanwhile, there is now overwhelming scientific evidence that the world is moving towards the point at which irreversible ecological catastrophe becomes unavoidable.

Business-as-usual climate change points in a clear direction: unprecedented reversal in human development in our lifetime, and acute risks for our children and their grandchildren. “

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And finally:

“At all levels of development the three essential capabilities are for people to lead a long and healthy life, to be knowledgeable and to have access to the resources needed for a decent standard of living.”

“But the realm of human development extends further: other area of choice highly valued by people include participation, security, sustainability, guaranteed human rights –all needed for being creative and productive and for enjoying self-respect, empowerment and a sense of belonging to a community.”

“In the ultimate analysis, human development is development of the people, for the people and by the people”.

(HDR 2000, p. 17)

On economic/business cycles

But,

ILO Global Job Crisis Observatory summarized in October 2009:

“What began as a crisis in finance markets has rapidly become a global jobs crisis. Unemployment is rising. The number of working poor is increasing. Businesses are going under.

(International Labour Organization Website at

<http://www.ilo.org/pls/apex/f?p=jobcrisis:1:1234774464814665>)

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“ iniquities of hunger, poverty, illiteracy, torture, racism, female subjugation, arbitrary incarceration or medical exclusion as social features” need remedying;

The contemporary economic, political and social global system of production shows its incapacity to solve the above problems;

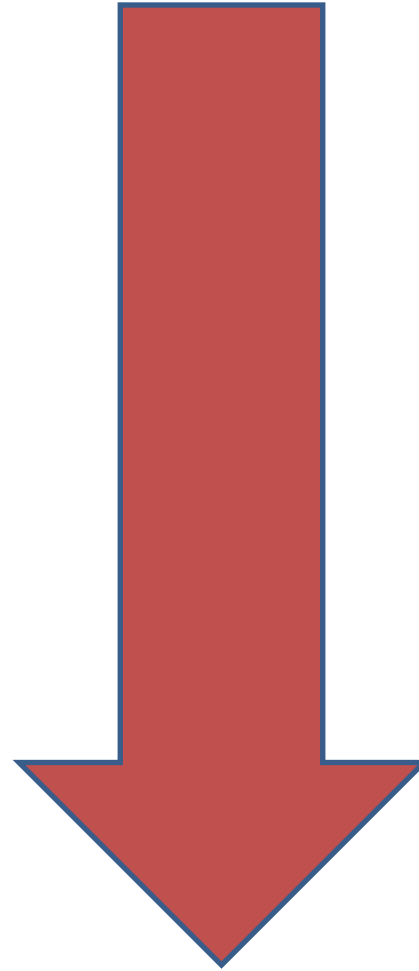
Governments are transferring the charity burden from the state to NGOs;

Industrialised countries restrict developing countries independent economic policies via international institutions managed from Washington, London, Paris, etc.;

The potential value of implementing a new type of development is enormous for contributing to the solution of the most dramatic failures of capitalist development so far;

Could social movements contribute to this task?;

Discuss the potential value of a new type of development in a moment of global crisis of both industrialised and developing countries old styles of development



On the internal dynamics of a capitalist market

U.K. Sources of gross income: by income grouping of households, 2007/08 - £ per year

Source: Social Trends 40: 2010 Edition

	Bottom fifth (A)	Next fifth	Middle fifth	Next fifth	Top fifth (B)	B / A
Earnings in labour market	4,600	10,850	19,350	30,350	68,200	15.0
% of average income	0.17	0.41	0.73	1.14	2.56	15.0
State support	6,500	6,550	4,450	2,850	1,700	0.3
Investment income	400	450	650	1,000	6,600	17.0
Income from pensions	400	950	1,500	2,050	3,150	8.0
Miscellaneous income	350	500	600	600	850	2.5
TOTAL gross income	12,250	19,350	26,600	36,800	80,500	6.6
% of average income	0.35	0.55	0.76	1.05	2.29	6.6
Total income AFTER taxes	7,509	13,023	17,396	23,773	52,405	7.0
Taxes as % of gross income	38.7	32.7	34.6	35.4	34.9	

On the internal dynamics of a capitalist state

U.K. Taxes as percentage of gross income: by income grouping of households, 2007/08

Percentages

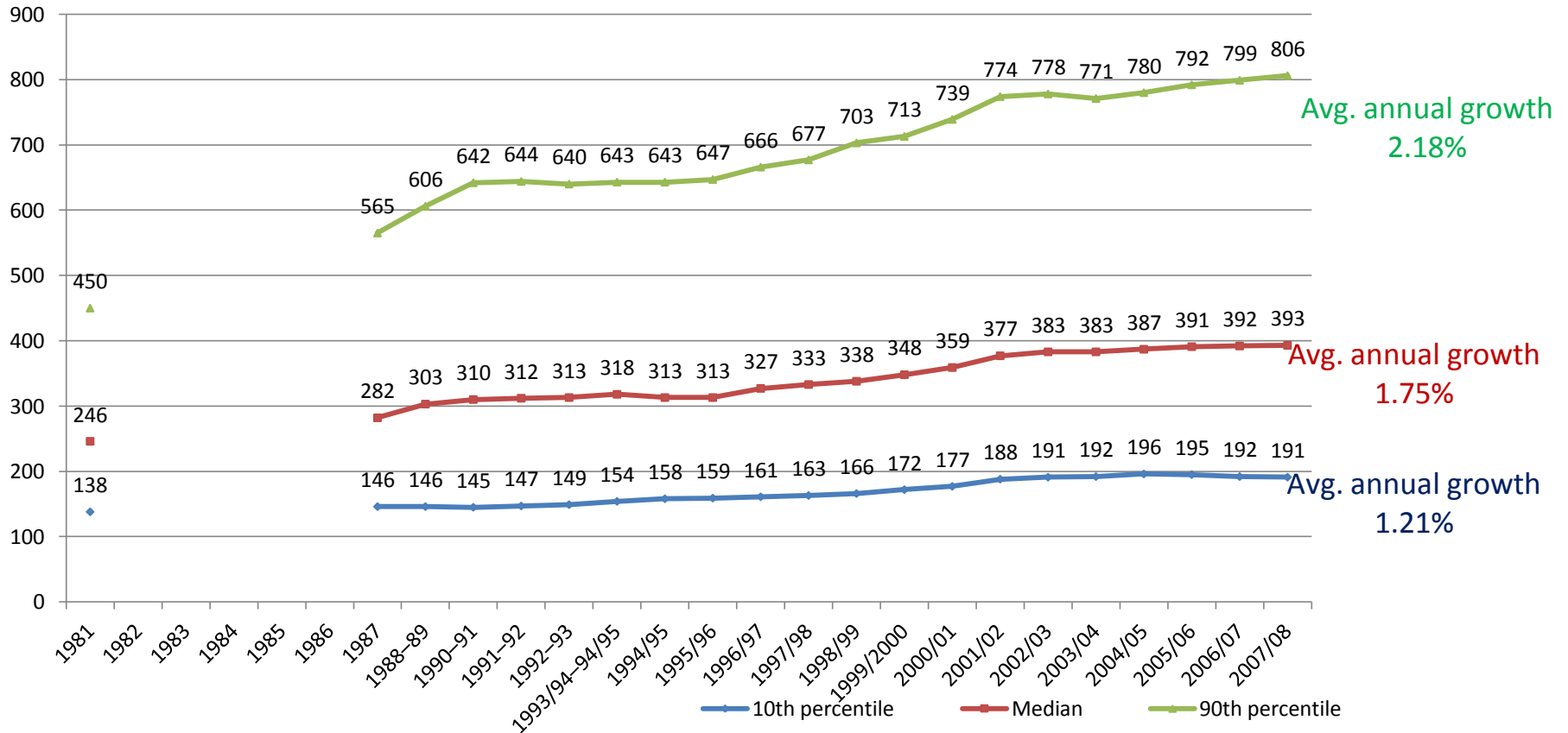
Source: Social Trends 40: 2010 Edition

	Bottom fifth	Next fifth	Middle fifth	Next fifth	Top fifth	All households
All direct taxes	10.8	14.1	18.6	21.8	24.9	21.0
Income tax	3.2	6.9	10.7	13.5	18.4	13.7
Employees' NIC	1.5	3.1	4.6	5.5	4.7	4.5
Council tax and N.I. rates	6.1	4.0	3.4	2.8	1.8	2.8
All indirect taxes	27.9	18.6	15.9	13.7	10.0	13.9
Value Added Tax	10.8	7.2	6.5	5.8	4.5	5.8
Duty on alcohol	1.5	1.0	0.9	0.8	0.6	0.8
Duty on tobacco	2.6	1.8	1.2	0.7	0.3	0.8
Duty on fuel an vehicle excise	3.2	2.3	2.2	1.9	1.2	1.8
Other indirect taxes	9.9	6.3	5.3	4.4	3.5	4.7
ALL TAXES	38.7	32.7	34.6	35.4	34.9	35.0

On the internal dynamics of a capitalist state

UK.- Distribution of real household disposable income 1981-2008 £ per week at 2007/08 prices

Adjusted to 2007/08 prices (in GBP) using the retail prices index less council tax/domestic rates. Source: Official Statistics

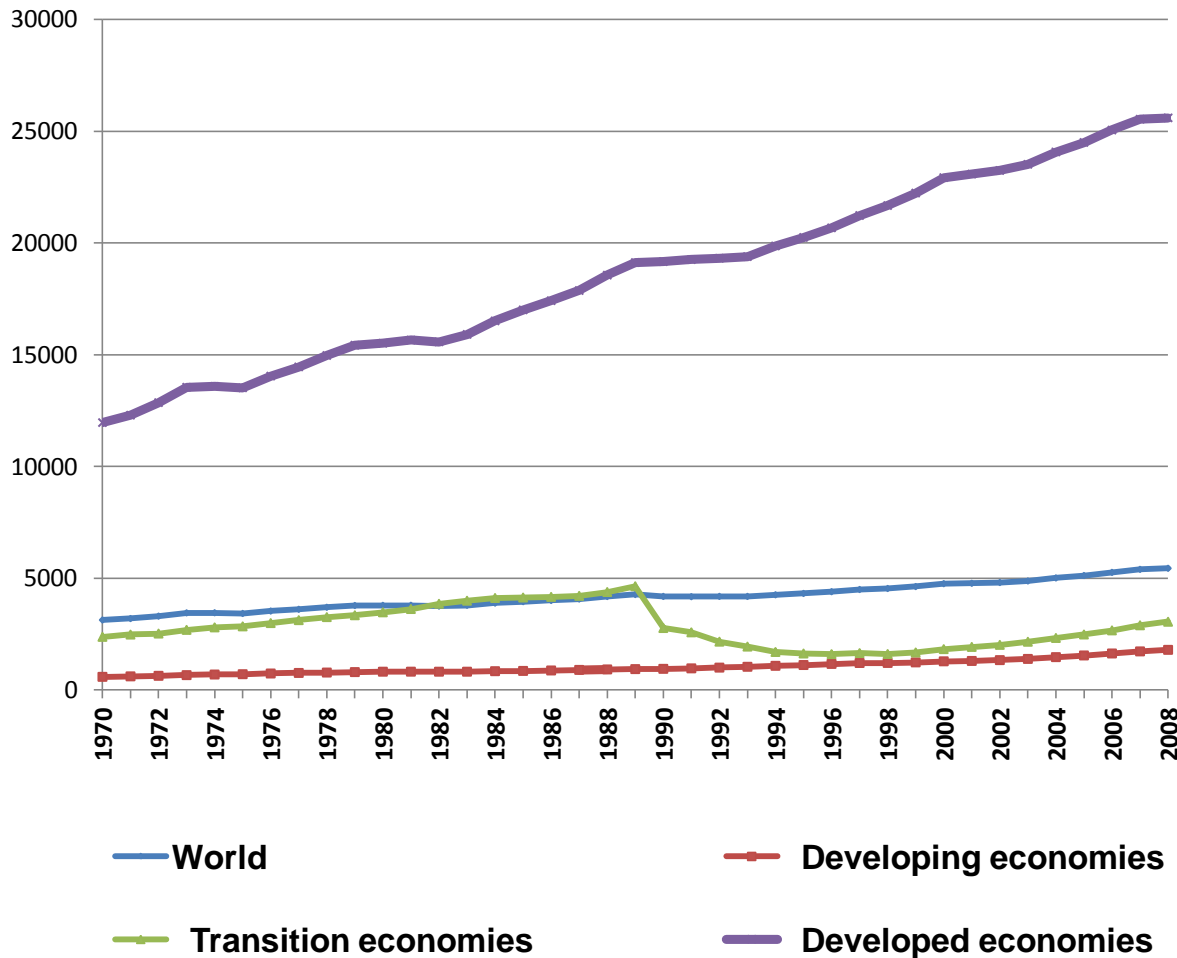


United States.- Median Earnings 1972- 2007 (US\$ 2007)

Source: The Economist, April 2 ,2009



UNCTAD Handbook of Statistics 2009.- Income per capita - US\$ at constant price (1990) from 1970 to 2008



US dollars 1990

1970 2008

590 1797 dving.
2378 3054
11963 25594 dvped.

(11373) (23797) diff.

Avg. annual growth (%)

World - 1.46

Dving. econ. - 2.97

Trans. econ. - 0.66

Dvped. econ.- 2.02