## **Human Rights & Human Welfare**

Volume 3 | Issue 1 Article 5

1-2003

# Globalism, Human Rights and the Problem of Individualism

Richard McIntyre University of Rhode Island

Follow this and additional works at: https://digitalcommons.du.edu/hrhw

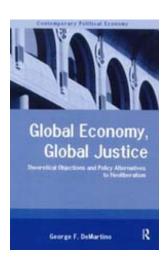
Part of the Economic Theory Commons, International Relations Commons, Social Justice Commons, and the Social Policy Commons

## **Recommended Citation**

McIntyre, Richard (2003) "Globalism, Human Rights and the Problem of Individualism," *Human Rights & Human Welfare*: Vol. 3: Iss. 1, Article 5.

Available at: https://digitalcommons.du.edu/hrhw/vol3/iss1/5

This Review Essays is brought to you for free and open access by the Josef Korbel School of International Studies at Digital Commons @ DU. It has been accepted for inclusion in Human Rights & Human Welfare by an authorized editor of Digital Commons @ DU. For more information, please contact jennifer.cox@du.edu,dig-commons@du.edu.



# Globalism, Human Rights and the Problem of Individualism

By Richard McIntyre

A review of Global Economy, Global Justice: Theoretical Objections and Policy Alternatives to Neoliberalism by George F. DeMartino. New York: Routledge, 2000. 296pp.

It is one of the peculiarities of our time that the human rights revolution has occurred simultaneously with the growth of two intellectual currents that are diametrically opposed to that revolution. In the humanities, the variety of postmodernisms that developed in the 1970s and spread like wildfire in the 1980s and 90s have called into question any concept of transcendental rights. In the social sciences, the emergence of neo-liberal thought—first in economics in the 1970s but reaching imperialistically to the other disciplines—opposes anything that interferes with the "free" choices of individuals or the activities of the market, especially when this interference is sure to involve some kind of government regulation.

Yet not only has the last fifty years seen many victories for rights and equality in the United States, growing attention has been paid to human rights concepts in foreign policy. Still, human rights advocates often feel uneasy with their colleagues in cultural studies and economics, as well they should.

Rights advocates have tended to solve their "postmodern problem" by drawing closer to the same kind of individualism that is the foundation of orthodox economics. In other words, while battling (but mainly by giving ground to) cultural relativism, human rights theory and practice have tended to support a conception of rights that is fully consistent with the economics of capitalist globalization. Some may find this incredible, as human rights activists have been in the forefront of struggles against rapacious corporations such as Shell and Unocal. Nonetheless, the individualist approach that dominates contemporary human rights philosophy often limits human rights groups to "blaming and shaming" corporate violations of individual rights without supporting the kind of grassroots collective action necessary to countervail corporate globalization.<sup>1</sup>

1

<sup>&</sup>lt;sup>1</sup> According to one of the movement's most important theorists, globalization has created a crisis for the human rights movement. During the Cold War, human rights activists developed a clear set of moral principles and a variety of techniques to put those principles into practice. Especially after the Helsinki Accord (1973), these practices were remarkably successful. Today, both the moral position and practice of the human rights movement is in disarray (Ignatieff, 2002). I argue below that globalization raises even deeper problems for human rights discourses.

What, then, is the relationship between economic globalization and justice? Can one consistently support human rights and oppose corporate globalization? In Global Economy, Global Justice, George DeMartino presents both a language to explore these questions and policy suggestions that may help develop new practices. He is particularly clear on how orthodox economics tends to silence debate on rights issues, and he provides activists with a way of talking about rights and the economy as mutually constitutive, rather than as separate realms of human existence. His book will be useful to human rights theorists and activists who would like a strong critique of economic orthodoxy. At the same time he challenges conventional human rights discourse to move beyond its individualist bias.

DeMartino clearly and carefully creates a space for the assertion of rights against both the extreme relativism of some postmodernists and the hyper-individualism of dominant neo-classical economic theory. The bulk of his book is a direct critique of the latter tendency, in the context of both theories about and policies dealing with economic globalization. He also adjudicates the dispute between moral objectivists and moral relativists, arguing for Amartya Sen's "harmonization of capabilities" as a defensible middle ground. Sen has been embraced by some human rights theorists, but DeMartino's reading produces a more radical and less individualistic version of Sen's "capabilities approach" to development.

DeMartino begins with a deceptively simple question: what is a good economic outcome? The answer that mainstream neo-classical economics gives to this question is really an embarrassment, but the weakness of its answer is buried under a mountain of technique and a scientism that is disdainful of moral considerations.

Unmasking this weakness is particularly important because neo-classical theory is essentially the official ideology of globalization. What DeMartino calls "global neo-liberalism" is the translation into policy, at the global level, of the basic assumptions and logic of neo-classical economics. This theory promises that the market will harness selfish behavior for collective benefit. So long as countries open their borders to the movement of goods and money and guarantee private property rights, the workings of Adam Smith's invisible hand—the pursuit of self interest disciplined by competition—will produce the good society.

This was the underpinning for the "Washington Consensus" of the 1990s. "Balance your budget, privatize government owned enterprise, and liberalize trade," was the mantra of both official institutions such as the International Monetary Fund and the US Treasury, as well as the semi-official proselytizers of globalization in economics and journalism. And behind these policy specifics was an almost religious belief in the invisible hand. This belief has been shaken of course, first by the "Asian financial crisis" of 1997-98 in which the world's fast growing economies suddenly collapsed, and more recently by the crisis in Argentina, a country which was in many ways the poster child for international neo-liberalism.

Shaken, but not too much. Neo-liberal true believers saw the Asian crisis as due to insufficient implementation of the market regime—"crony capitalism"—with undue government involvement and an immature market mechanism, not international market forces themselves. The Argentine

crisis has been harder to explain away and indeed the popularity of books such as Joseph Stiglitz' Globalization and its Discontents indicates increasing dissatisfaction with economic orthodoxy.

Of course, for those who had not bought into the religion, the results of global neo-liberalism have long been poor enough to indict the practice.<sup>2</sup> But DeMartino's critique of neo-liberalism is not primarily empirical. It is not that neo-liberalism does not deliver what it claims to, but rather, what it claims to be a good economic outcome is not particularly good.

DeMartino presumes no economic literacy among his readers, so he builds both neo-classical theory's technical apparatus and its world vision from the bottom up. Neo-classicals make several assumptions that are critical for their ability to pass judgment on issues of trade and human rights. Most important, they assume that individuals are endowed with the ability to choose rationally among different opportunities, and in particular the various consumption choices they face. People are assumed to be insatiable, in that more of any good is always preferred to less, and people's preferences are assumed to be exogenous, or outside the theoretical purview of the economist, to be left to marketing researchers or, even worse, sociologists.

Neo-classical theory is really an arranged marriage between Adam Smith's invisible hand and Jeremy Bentham's utilitarianism.<sup>3</sup> The early utilitarians had hoped to operationalize their basic social goal—the greatest good for the greatest number—by measuring the different utilities that individuals derived from the consumption of goods. Abandoning this project forced the neo-classicals to construct a criterion of the social good that is highly limited, and unable to bear the weight of the conclusions they would like it to support. Their agnosticism on the source of preferences is quite important. The theory holds tightly to a severe form of interpersonal relativism in which one cannot compare the satisfactions that different individuals derive from consumption.

Neo-classical theory's celebration of individualism depends critically on its analysis of market behavior. The essential argument, which underlies all of the social policies associated with global neo-liberalism, is that the market, left to its own devices, will move towards the price and output level that is socially optimal. DeMartino underlines how powerful, remarkable, and influential this result is. In particular, free consumer choice leads to the Pareto optimal situation, in which no individual can be made better off without making someone else worse off. Free markets lead to just distribution, in the sense that individuals are rewarded according to what they contribute. This also leads to progress, as the incentive structure encourages innovation and economic growth.

<sup>&</sup>lt;sup>2</sup> There is ongoing controversy over the effects of economic integration. Critics of globalization argue that recent patterns of integration have increased both income inequality and poverty. Defenders sometimes concede the former point but not the latter. It is probably most accurate to say that the record is mixed and that in fact globalization refers to several things. Deconstructing this concept is beyond the bounds of this paper.

<sup>&</sup>lt;sup>3</sup> It is trendy now to believe that mainstream economics has moved beyond neoclassicism, given the proliferation of models with imperfect information, game theory, and the incorporation of altruism into the utility function. Many economists now say they are merely pragmatists, using whatever tools are available to solve economic problems. It would be foolish to say that nothing has changed in economic orthodoxy in the last generation. However, as DeMartino argues (p. 37), such pragmatism generally stems from a general lack of consciousness of philosophical and political commitments rather than a sustained critique of them. Economists still tend to serve the same masters, and it is remarkable how much of the old neoclassicism survives in both the textbooks and in policy debates.

Market imperfections—such as monopoly, public goods, externalities, and information asymmetries—are recognized, but curative government intervention is generally thought to be worse that the disease because of government failure. In other words, while the market may sometimes fail to provide the optimality that pure theory claims for it, government economic activity encourages "rent-seeking" behavior. This is socially wasteful activity—like industries that incur lobbying expenditures in order to gain tariff protections. The greater the government's involvement in economic life, the greater will be this social waste.

The debate among neo-classicals concerns the relative importance of market and government failures. In the United States, "conservatives" tend to minimize market failure and see government failure and rent-seeking everywhere. "Liberals" tend to see market failures as quite common, and are less concerned with government failures. For instance, Stiglitz (2002) argues that information problems are pervasive, especially in developing economies, so that the Washington Consensus, which prescribed reliance on market mechanisms in development, was (and continues to be) misguided.

What both liberal and conservative neo-classicals fail to interrogate is their more basic assumptions concerning consumer preferences and Pareto optimality as a measure of economic well being. That preferences are socially constructed and not exogenous to the economy is obvious to most people who don't have the benefit of five (or more) years of graduate economics training. For instance, participation in market activities is one of the things that shape our preferences. Institutional economists, dating back to Veblen, have shown that consumption choices are driven largely by status concerns. It is obvious that rather than serve consumers by responding to their preferences, modern corporations are actively involved in shaping preferences through advertising. Income and status powerfully influence consumer preferences, and people generally come to want what they have. But such adjustment of preferences to expected outcomes is not limited to economics. Poor people learn to expect to feel powerless so as not to be constantly frustrated. Thus the different economic preferences of poor and rich should be seen as a *consequence* of the market process, as much, if not more, than the foundation for it. And the same goes for politics and culture.

DeMartino's punch line is that individual preferences should be given much less weight in assessing economic outcomes and policies than neo-classicals generally presume. The individualism that lay at the heart of orthodox economics rests on shaky ground. But without it, the familiar parables of the invisible hand fall apart. A similar problem exists in the human rights discourse because of its individualism, a problem we will come to in a moment.

Because of the inability to make inter-personal utility comparisons, an "efficient" social outcome can only mean that no individual can be made better off without making someone else worse off. This is what is meant by "Pareto optimality." The Pareto criterion is taken to be a value free concept of the good economic outcome when, in fact, it is quite value laden. For instance, suppose that a certain policy could eliminate hunger in the world by reducing the income of the world's richest person by one hundred dollars. The strict logic of neo-classicism would imply that this is not necessarily a good thing because there is no way to compare the pain felt by the billionaire with the benefits felt by the no longer starving masses.

The solution to this problem is the so-called Kaldor-Hicks, or compensation principle. This presumes that an economic policy is efficient if the winners from such a policy could, in theory, compensate the losers and still have something left over. Whether compensation actually occurs is irrelevant to the basic finding. So when an orthodox economist expresses unqualified support for free trade he is really saying that of course some people will lose, but *on average* people will be better off.

This is a highly normative approach in that it biases policy toward growth rather than redistribution. Issues of distribution and equality—and indeed of democracy, cultural integrity, rights, and so forth—are clearly secondary to growth and the "efficient allocation of resources." This is normative commitment masquerading as science. To say that a social situation is Pareto optimal is to say very little about its economic desirability, and virtually nothing about its contribution to building a good society. Yet the Pareto criterion remains the ultimate basis for the support of "free" trade.

Trade economists have long recognized that while a country as a whole may benefit from "freer" trade, some people will lose. For instance, if England has a comparative advantage (lower opportunity cost of producing) in wool, and Portugal has a comparative advantage in wine, it is easy to show that opening up trade will lead to an increase in total output. However, there will be competitive pressure on wine producers in England and wool producers in Portugal. According to the compensation principle, so long as the winners (wool in England, wine in Portugal) could compensate the losers and still have something left over, trade is beneficial.<sup>4</sup>

At present, most trade agreements fail this very minimal standard, as the losers are rarely fully compensated. Even if they were, this narrowly economic approach says nothing about the impact of trade on the viability of cultures or access to political effectiveness. And it is likely, as DeMartino argues, that the economic losers from freer trade started with less political capability to begin with. Otherwise they would have been able to prevent the policy that is so inimical to their interests. This weakness is likely the reason that losers from trade integration are rarely able to secure compensation. As DeMartino puts it, "The greater the level of inequality prior to a regime shift, the greater will be the capabilities failures that it induces, and the less adequate will be the level of compensation for the losers that is actually forthcoming" (DeMartino, p.207).

Neo-classicals deeply object to any interference with trade for human rights reasons because, in their view, (i) such interference eliminates legitimate sources of comparative advantage; (ii) such concerns generally stem from protectionist sentiment, not altruism, and; (iii) even where they stem from altruism, there are other ways, besides trade policy, to deal with these issues.

In making these arguments, neo-classicals take a cultural relativist stance. Outside of a few, generally accepted rights—such as freedom from slavery or torture—they are unwilling to censure governments for allowing practices such as limiting freedom of association, the right to bargain

<sup>&</sup>lt;sup>4</sup> These were the countries Ricardo used as examples in his original formulation of the theory of comparative advantage. Actually, the pattern of English-Portuguese trade was determined by a series of unequal treaties between the two countries. See Magdoff, 1971.

collectively, or child labor. These practices, they say, are acceptable as part of a country's cultural choices and any attempt to interfere with them reeks of cultural imperialism. Neo-classical theory's relativism is simultaneously universalist: there is one correct theory for all times and places *in economics*. Thus the neo-classicals are able to portray themselves as both free traders and anti-imperialists, and attack the human rights movement at one of its most vulnerable points.

For example, take the case of labor standards, one of the most hotly debated topics in the economics of globalization, and a place where economists' concerns clearly intersect with those of the human rights community. The neo-classicals acknowledge that many states have signed and ratified agreements recognizing a variety of cultural, economic, and political rights. In their view, protection of these rights goes well beyond that which should be the focus of concern in trade negotiations, thus leading them to believe that trade sanctions in response to violations of labor standards stem from protectionist rather than human rights concerns.

Moreover, while countries have signed such covenants, the rights embodied in them are rarely respected. "This suggests that, at best, the rights recognized are universal aspirations, perhaps to be attained at some distant and unspecified future, though cynics may view them as empty rhetoric....[I]t is worth reiterating that the claim of universality and eternity, for a subset of rights covering the so-called 'core' labor standards, is overblown" (Srinivasan 1998: 230).<sup>5</sup>

Concern about labor standards, to the extent that it stems from altruism, is not so easily dismissed. But for Srinivasan, there are more effective measures than trade sanctions to express such concerns. Direct means of improving labor conditions in poor countries are superior to the indirect approach embodied in trade sanctions. Removing barriers to immigration is a particularly appropriate response. If this is not feasible, then direct income transfers are still more appropriate than trade sanctions:

With higher incomes, it is reasonable to presume that the supply price of (broadly defined to include labor standard) of their labor (sic) would rise and to restore labor market equilibrium, labor standards would have to rise. Indeed, a test of the depth of their humanitarian concern is the price that citizens are willing to pay for translating the concern into an actual increase in the welfare of workers in poor countries. Willingness to make needed income transfers is a demonstration of the willingness to pay the price (Srinivasan 1998: 231).

If people fear that globalization will create a "race to the bottom," they can simply stop buying imported goods. In general, the "race to the bottom" concern is dismissed as the old worry about pauper labor, a concern that neo-classicals believe is fully discredited by deployment of the Pareto criterion and the compensation principle.

In fact, "diversity in labor standards among countries is not only legitimate but also does not detract from the case for free trade" (Srinivasan 1998: 233). Diversity of labor standards is similar to

<sup>&</sup>lt;sup>5</sup> As Ignatieff (2001) notes, our most important human rights documents, such as the Universal Declaration, were, at the time of their signing, no better than aspirations, and were in fact developed in response to the barbarism at the heart of the industrialized capitalist world in the 1930s and 40s.

diversity of tastes or technology in that it is a source of comparative advantage and therefore of gains from trade. Srinivasan presents a relatively simple mathematical model whose major conclusion is the point at which DeMartino's attack on the neo-classical model is most fatal.

[A]s long as there exists a non-empty set of Pareto Optima meeting the minimal standards, it is feasible to meet such standards with income transfers but without departing from free trade. As such there is no need for a social clause or to put it another way the only rationale for a social clause has to be the odious one of protection of importing competing industries (Srinivasan 1998: 237).

Ultimately then, the neo-classicals' haughty criticism of a social clause in trade agreements rests on the remarkably soft ground of the Pareto criterion and the compensation principle.

Srinivasan and other neo-classicals recognize that these results do not hold in the absence of perfectly competitive and complete markets. For instance, capital markets may not be sufficiently functional to allow investments that promote worker safety. Addressing market failures at their source—in this case the capital market—is preferable to using trade policy. They also recognize that the income distribution that emerges from freer trade may be unacceptable. Income transfers through taxation are again, preferable to trade policy.

The right to form trade unions and bargain collectively has been identified by the International Labor Organization as a core standard. Srinivasan and other neo-classicals are dubious as to whether the right to bargain collectively qualifies as a right in any meaningful sense. Labor unions, in their view, may promote the interests of a privileged few at the expense of the many, i.e., they may create a labor aristocracy and promote corruption. Further, if unions promote high standards inconsistent with a country's development stage they could inhibit economic growth.

In the absence of market failures, and so long as the rich countries are willing to compensate potential losers in trade competition, comparative advantage which reflects differences in prevailing labor standards is legitimate for neo-classical theory. In other words, this case is no different from any other example of international trade, as in our story of England and Portugal above. All that Srinivasan and other neo-classicals are adding is that it doesn't matter whether the source of comparative advantage is based on conditions provided by nature, or the fact that the Portuguese government prevents grape pickers from freely associating and forming unions.<sup>6</sup>

So labor standards are neither universal nor eternal, and even when the desire to enforce higher standards is driven by humanitarian concerns, trade policy is an inefficient instrument. "One is therefore led to conclude that the conventional protectionist pauper-labor type argument, rather than lofty humanitarianism, is behind the clamor for the use of trade policy instruments to enforce particular labor standards in poor countries" (Srinivasan 1998: 243).

-

<sup>&</sup>lt;sup>6</sup>The countries that have been loudest in raising the labor standards issue—the US in particular—stand accused of hypocrisy by the neo-classicals. They claim that the use of prison labor to produce items sold to the government and the inability of the Labor Department to effectively regulate sweatshops both indicate that the concern with trade stems from protectionism not altruism. The US position on labor rights has generally been dominated by broad, foreign policy concerns and the dominance of corporate interests. For detailed discussion of the US position *vis-à-vis* core labor standards, see McIntyre and Bodah, 2002.

But this all makes sense *only* within the individualist predispositions of the theory. If preferences are endogenously produced, and if they reflect more the desire for status than utility, the finding fails. And even on its own terms, to say that a policy is good regardless of its distributional effects or its effects on culture and politics is remarkably narrow and reductionist.

DeMartino proposes Amartya Sen's concept of "capabilities equality" as a way of avoiding both the cultural relativism and economistic thinking of the neo-classicals. Neo-classical economists' defense of unrestricted market activity may be weak, but does Sen provide a workable alternative? DeMartino argues convincingly that he does, on both economic and philosophical grounds.

"Capabilities equality" begins from the presumption that people are in fact created unequal so that when we say we favor equality, we have to ask "equality of what?" There are a variety of states that people value, such as being well nourished, avoiding premature mortality, appearing in public without shame, political effectivity, etc. Each person will have a different set of capabilities to achieve these states. Sen argues that the good society will equalize "capabilities to achieve functionings" a rather unwieldy concept that implies *inequality* in the distribution of primary goods so as to benefit the weakest members of society.

Capabilities equality is related to a family of social theories that emphasize equality as the prerequisite for the good society. DeMartino's review of institutional economics, Marxian political economy and the work of contemporary political philosophers like John Rawls and Michael Walzer, shows that there is a broad, shared commitment to egalitarianism. He rejects the typical neo-classical arguments that existing levels of inequality reflect measurable differences in contribution-to-output, or are necessary to stimulate innovation and growth. Equality of substantive opportunities is taken as a more appropriate social goal than Pareto optimality and, in some of the traditions DeMartino reviews (i.e., institutional economics), as encouraging better behaviors and social problem solving.<sup>7</sup>

He is led to an internationalist ethic based on capabilities equality, and investigates the implications of this ethic through a comparison of various positions in the trade debates. DeMartino distinguishes between free traders, strategic traders, and fair traders. The former, mostly neoclassical economists, are internationalist but not egalitarian. Strategic traders are egalitarians but their concerns stop at the border. Only fair trade, which for DeMartino incorporates capabilities equality, is both internationalist and egalitarian. He states this internationalist ethic succinctly: "A regime will be deemed just if and to the degree that it promotes harmonization of capabilities to achieve functionings at a level that is sufficient, universally attainable and sustainable" (DeMartino, p.144).

Beyond the negative freedoms acceptable to both neo-classicals and human rights orthodoxy, capabilities equality implies that a just regime requires basic functionings such as the achievement of adequate nutrition for all, the ability to avoid preventable morbidity and premature mortality, a distribution of income sufficiently equal to allow all to achieve minimal standards, and an educational system that allows all to achieve basic literacy. These capabilities have been quantified in the UN's Human Development Index, a tool explicitly based on Sen's ideas, which DeMartino puts to creative use.

8

<sup>&</sup>lt;sup>7</sup> For the beginnings of an institutional approach to labor standards see McIntyre and Ramstad (2002).

Of course, capabilities equality can be criticized as simply a kinder and gentler cultural imperialism. In its defense, DeMartino notes that capabilities equality allows for a diverse array of practices to achieve mutually agreed upon goals. Also, much like the more sophisticated treatments of human rights in general, the capabilities approach is agnostic as to its metaphysical foundations, i.e., it avoids the kind of foundational arguments that are so often deadly to international agreement.

Some philosophers of human rights will find the breadth of what is necessary for capabilities equality to be troubling. Some defenders of human rights have given ground to cultural relativists in order to defend a "thin" definition of human rights.

[P]eople from different cultures may continue to disagree about what is good, but nevertheless agree about what is insufferably, unarguably wrong. The universal commitments implied by human rights can be compatible with a wide variety of ways of living only if the universalism implied is self-consciously minimalist. Human rights can command universal assent only as a decidedly 'thin' theory of what is right, a definition of the minimal conditions for any kind of life at all (Ignatieff 2001: 56).

When one combines this thinness with the individualist predisposition of rights theory generally, there is not all that much distance between the conventional human rights perspective and neo-classical economic theory. This, I will argue, essentially sets the borders around which rights cannot go at the limits dictated predominantly by class interests. This is a complex argument that I will make briefly, and then demonstrate that DeMartino allows us a way around the border.

For Ignatieff, "[h]uman rights is a language of individual empowerment" (2001: 57).8 The basic documents of the human rights revolution were drafted in response to the unconscionable actions taken by states against (racially defined and grouped) individuals. The individualism of the Universal Declaration was an understandable and admirable reaction to the barbarism of authoritarian states. But this has not always, and is not now, the only basis for human rights work. Ignatieff and others trace the origins of modern human rights to the anti-slavery movements of the 19<sup>th</sup> century. These movements tended to obscure economic exploitation while focusing on slavery's unfortunate impact on the individual's freedom of choice. But the labor movements of the late 19th and early 20th centuries drew on the economic moment of anti-slavery to construct a critique of capitalism as a system that violated the right of the individual to the fruits of her labor, and then to the violation of her right to a living wage (Glickman 1997). In other words, there are non-authoritarian traditions that include economic and social conditions in a core definition of rights. The thin definition of rights promoted by Ignatieff and others is a choice that puts them uncomfortably close to those in economics who are most interested in promoting "actually- existing" globalization. Thus human rights arguments can, in this view, become a condition of existence for capitalist exploitation on a world scale, by highlighting some forms of oppression while obscuring others.

-

<sup>&</sup>lt;sup>8</sup> Ignatieff's recent book is a clear and concise statement of human rights liberalism. There are, of course, disagreements amongst human rights theorists, but in my view, Ignatieff's is a particularly eloquent statement of a perspective that finds wide agreement. See, in particular the responses of Appiah, Hollinger and Orentlicher in Ignatieff (2001). Space constraints prevent a more complete discussion.

<sup>&</sup>lt;sup>9</sup> See also Keck and Sikkink (1998), pp.39-78.

For instance, in its important reports on the trafficking in women and bonded child labor, Human Rights Watch takes a strategy of "naming and shaming" rather than investigating the broad and global economic context within which such abuses take place. Their preferred recourse is legalistic, as if the law were neutral, rather than one that encourages grass roots organizing (Gordon et al. 2000; Brody et al. 2001).

For Ignatieff, moral individualism protects cultural diversity since an individualist position respects the various ways in which individuals choose to live. "...the ultimate purpose and justification of group rights is not the protection of the group as such but the protection of the individuals who compose it" (Ignatieff 2001: 67). For him, group rights are clearly subordinate to those of individuals and are always to be treated with distrust:

"Rights language cannot be parsed or translated into a nonindividualistic, communitarian framework. It presumes moral individualism and is nonsensical outside that assumption....Group rights doctrines exist to safeguard the collective rights—for example, to language—that make individual agency meaningful and valuable. Human rights exist...to define the irreducible minimum beyond which group and collective claims must not go in constraining the lives of individuals." (Ignatieff 2001: 67, 69).

The list of oppressions that these thin rights doctrines oppose is notable for its absences: "Rights doctrines arouse powerful opposition because they challenge powerful religions, family structures, authoritarian states, and tribes" (Ignatieff 2001: 68). The words "class" and "property" are missing from Ignatieff's list and that of many other human rights theorists as well.

Ignatieff claims that linking human rights and global capitalism misses the insurgent nature of human rights activism *vis-à-vis* global corporations. But just as the anti-slavery movement legitimized capitalist forms of exploitation by demonizing slavery, so even when it directly takes on corporate interests, contemporary human rights practice limits itself to those oppressions that are consistent with the individualism at the heart of the global neo-liberal project.<sup>10</sup>

For Ignatieff, liberal individualism is advantageous precisely for its "thinness." In other words, it proscribes those activities that would make any kind of life inconceivable, yet it does not prescribe what is necessary for a good life in any kind of positive sense. This approach, derived primarily from Rawls and Berlin, means that the primary responsibility for defining rights violations lies with the victims, and if people accept their victimization there is little that the "outsider" can do.

Those who insist that civil and political rights need supplementing with social and economic ones make a claim that is true—that individual rights can be exercised effectively only within a framework of collective rights provision—but they may be obscuring the priority relation between the individual and the collective. Individual rights without collective rights may be difficult to exercise, but collective rights without individual ones end up in tyranny (Ignatieff 2001: 89-90).

Why we must choose between individual and collective rights is unclear. The claim here would be that civil and political freedoms are the necessary condition for the eventual attainment of social and economic security.

<sup>&</sup>lt;sup>10</sup> This interpretation of the anti-slavery movements is drawn from the work of David Brion Davis. See his essays in Bender, 1992.

Without the freedom to articulate and express political opinions, without freedom of speech and assembly, together with freedom of property, agents cannot organize themselves to struggle for social and economic security (Ignatieff 2001: 90).

Ignatieff lumps the Marxist critique of human rights talk together with Islamic and Asian exceptionalisms and the postmodern critique, but the former is fundamentally different. Ignatieff reverses what he takes to be the typical Marxist perspective, arguing that political and civil rights are not a bourgeois luxury but the precondition for economic and social rights. The history of African-American progress in the United States may be taken as a critique of this position, as economic and social improvement has certainly not flowed smoothly from the achievement of civil and political rights. Moreover, the right to organize and bargain collectively—one of the International Labor Organization's core labor rights and clearly a collective right—is missing from this list.

Invoking Sen, Ignatieff argues that no country with democracy and a free press has experienced famine. Freedom, he says, is development. But Sen's title is <u>Development as Freedom</u>, which means something very different from and thicker than the liberal human rights agenda. Furthermore, Ignatieff accepts the neo-classical approach to trade, so long as compensation is actually paid. "A human rights perspective on development for example, would be critical of any macroeconomic strategy that purchased aggregate economic growth at the price of the rights of significant groups of individuals. A dam project that boosts electro-generation capacity at the price of flooding the lands of poor people without compensation and redress is an injustice, even if the aggregate economic benefit of such a measure is clear" (Ignatieff 2001: 167).

For Ignatieff then, compensation must occur for the Pareto principle to be invoked. We noted above that for the neo-classicals this is not strictly necessary, and that for DeMartino there are problems with the principle even if compensation is paid. There are other problems though. All groups are of course made up of individuals. What is a significant group? Who decides? In what sense are poor people a group?

Ignatieff accepts sub-national minorities as groups whose rights legitimately can be protected. But why should we stop here? Are women a group? Are workers? If human rights exist primarily "to define the irreducible minimum beyond which group and collective claims must not go in constraining the rights of individuals," how is this minimum defined?

In fact, by deconstructing the concept of identity, DeMartino shows that a broader and more positive range of rights can be supported. Ignatieff writes, "[i]f, for example, religious groups determine that women should occupy a subordinate place within the rituals of the group, and this place is warranted by the women in question, there is no warrant to intervene on the grounds that human rights considerations of equality have been violated" (ibid, p.19). This is similar to an argument made by Michael Walzer, one that DeMartino takes on directly by refusing to reduce identity to membership in a particular group and by refusing to accept the preferences of the individual as sacrosanct (DeMartino, pp.133-43)

\_

<sup>&</sup>lt;sup>11</sup> Ignatieff does not cite any major Marxist texts on this issue.

For Ignatieff, the lesson of Sen's work is that "a human rights perspective, focusing as it does on enhancing human agency, draws attention to the importance of unblocking individual agency as a motor for economic development itself. Human rights, like freedom of speech and assembly, as well as freedom of the press, are essential in creating checks and balances against coercive strategies by governments" (Ignatieff 2001: 167). Again, we note the absence of the right to organize and bargain collectively from this list.

#### മ

After 1945 there were two official human rights traditions. The communist rights tradition, which emphasized economic and social rights, kept the "capitalist rights tradition" (sic) (Ignatieff 2001: 19) in check to some extent. But it would be a reach to say that the collapse of the one-party states and centrally planned economies of Eastern Europe marks the end of the conflict between these traditions. Rather, the most visible official representatives of one tradition are now gone. Yet the tone of Ignatieff's argument bears the same kind of triumphalism as the "end of history" narratives that were so influential in the early 1990s.

In fact there are multiple rights traditions. The one associated with the labor movement, and most effectively represented in the Charter and subsequent official documents of the International Labor Organization, clearly recognizes the essentiality of certain group rights, including and especially the right to organize trade unions and to bargain collectively.

How is such a right to be secured? The "name and shame" approach has encouraged the more morally sensitive (i.e., brand dependent) multinationals to adopt codes of conduct for their suppliers. When we examine these codes we see the problem with the individualist approach. The issues covered most frequently are safety and health, discrimination and environmental protection. The least likely to be mentioned are overtime hours and pay, and rights to organize and bargain collectively. The latter is the "right" with the most promise for creating countervailing power to globalized capital at the grassroots (Freeman, 1998). Thus the individualism at the heart of liberal human rights doctrine supports the very ordering of rights promoted by the largest multinational enterprises, but not those that would be most effective in empowering popular organizations.

DeMartino does not fall into this trap. Having skewered the scientific pretensions of neoclassical economics and deflated the claims of the cultural relativists, he proposes a policy to achieve capabilities equality on a global scale. Succinctly, this would provide a sliding tariff scale for countries based on their performance on a modified version of the human development index. His "Social Index Tariff Structure" would reward countries who improved conditions of social life, such as generalized and basic literacy, adequate nutrition for all, avoidance of preventable morbidity and premature mortality, and an income distribution sufficiently equal to allow all to achieve minimal standards. Countries could determine themselves how to achieve these goals, and a variety of exceptions could be made. The details of his tariff solution would take us beyond our space limitations. But DeMartino has proposed a serious (if not currently feasible) plan that incorporates his critique of both economics and philosophy. In fact, DeMartino may do a little too much. Each part of his argument is made fully, so that detailed recapitulations appear at the beginning of each chapter and section to remind the reader of what she has already read. These are necessary because of the length of some of the chapters, but they become tedious. Before the philosophical discussions we are led through the basics of neoclassical economics, and the philosophical discussions are followed by the policy debate and then the social index tariff. As good as all of these arguments are, one is left somewhat exhausted, wishing for shorter chapters and one or two fewer of them. In particular, the length and detail of some of the chapters will make them difficult to assign to undergraduate students.

There is a political conclusion which DeMartino does not make, though it is implied in much of his argument. We now have the technological ability—but not the will nor power—to make something like what we used to call "socialism" happen. If, as Marx argued, it was capitalism's historic function to create the technological conditions necessary for a society of associated producers, this has now occurred. However, capitalist development has not produced the ideological conditions necessary for the transition to such a society, nor has it created an opposition with the power necessary to challenge the entrenched interest. DeMartino provides a powerful critique of orthodox globalization theory at one of its weakest links. But it is likely that the orthodoxy will be able to reposition itself through continued appeals to science, propelled by the power of the interests that benefit from it. In particular, when trade issues are decided, policy makers generally dispense with the language of economics and pick up the language of power and national leadership. But DeMartino has provided human rights activists with a usable economics as they seek to reposition their own concerns in the era of economic globalization.

## References

- Bender, Thomas (Editor). 1992. <u>The Anti-slavery Debate: Capitalism and Abolitionism as a Problem in Historical Interpretation</u>. Berkeley: University of California Press.
- Brody, Reed, Smita Narula, Arvind Ganesan, et al. 2001. "Human Rights and Global Capitalism: A Rountable Discussion with Human Rights Watch." Rethinking Marxism 13(2): 52-71.
- Freeman, Richard. 1998. "What Role for Labor Standards in the Global Economy?" Mimeo.
- Glickman, Lawrence. 1997. <u>A Living Wage: American Workers and the Making of Consumer Society</u>. Ithaca, NY: Cornell University Press.
- Gordon, Neve, Jacinda Swanson, and Joseph Buttigieg. 2000. "Is the Struggle for Human Rights a Struggle for Emancipation?" Rethinking Marxism 12(3): 1-22.
- Ignatieff, Michael. 2001. <u>Human Rights as Politics and Idolatry</u>. Princeton: Princeton University Press.
- \_\_\_\_\_. 2002. "The Rights Stuff." New York Review of Books, June 13.

- Keck, Margaret and Katherine Sikkink. 1998. <u>Activists Beyond Borders: Advocacy Networks in International Politics</u>. Ithaca, NY: Cornell University Press.
- Magdoff, Harry. 1971. "Economic Myths and Imperialism." Monthly Review 23(7): 1-17.
- McIntyre, Richard and Mathew Bodah. 2002. "The US and ILO Conventions No.87 and 98: The Freedom of Association and Right to Bargain Collectively," Presentation to the AFL-CIO/Michigan State University Workers Rights Conference, Lansing Michigan. October 11.
- McIntyre, Richard and Yngve Ramstad. 2002. "John R. Commons and the Problem of International Labor Rights." *Journal of Economic Issues* 36(2): 293-301.
- Sen, Amartya. 2000. Development as Freedom. New York: Anchor Books.
- Srinivasan, T.N. 1998. "Trade and Human Rights," in Alan Deardorff and Robert Stern (Editors). <u>Constituent Interests and US Trade Policies</u>. Ann Arbor, MI: University of Michigan Press: 226-253.
- Stiglitz, Joseph. 2002. Globalization and its Discontents. New York: W.W. Norton.

Richard McIntyre is Honors Professor of Economics and Labor Relations, University of Rhode Island, and recently served as Research Professor, Institutions et Dynamiques Historiques de l'Economie, Ecole Normale Superiore-Cachan, France. Recent publications include "John R. Commons and the Problem of Labor Rights" (Journal of Economic Literature, June 2002) and "Its a Small World After All: Sustainability and US Foreign Policy" (Rethinking Marxism, Summer 2002).

© 2003, Center On Rights Development.