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# ARTICLE

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# "Whose development? What hegemony? Tackling the structural dynamics of global social injustice."

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#### ABSTRACT

I briefly review the main parameters of the conceptual framework David Ingram builds, and then proceed to test its heuristic power by examining its capacity to address three types of domination (relational, structural and systemic) typical of contemporary capitalism.

#### **ARTICLE HISTORY**

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Globalisation; capitalism; markets; domination; democracy; development; competition

David Ingram takes the debate on the injustice of underdevelopment off the beaten track of distributive concerns with inequality and poverty. In what follows, I will briefly review the main parameters of the conceptual framework he builds and then proceed to test its heuristic power by scrutinizing the types of domination this framework allows us to address.

To perceive the full spectrum of injustice occurring in the global economy, we need to take into account, Ingram urges, the coercive nature of the global economic order, not only the unfortunate distributional outcomes this order engenders. In turn, coercion is to be understood not simply as the use of force in subjugating some actors to the will of others, but in terms of the shaping of a coercive environment that represses free agency. Social coercion, thus understood, is a function of structural incapacitation.

In turn, to identify the sources of social coercion, Ingram politicizes the economy, treating it as *political* economy by focusing attention on the dynamics of power shaping the current global economic order. This order emerges as 'a coercive system in which the USA and its partners in the developed world leverage their power in imposing costs on poorer, less powerful nations while extracting advantages for themselves' (182).

This account of the unjust distribution of life-chances in the global economy accommodates two types of power - the capacity to influence others that results from the uneven distribution of resources between actors, and the capacity to do so as a result of one' ability to shape the rules of the game, to influence the very environment within which participants interact - what the political economist Susan Strange has called, respectively, 'relational' and 'structural' power (Strange 1994). The US economy accounts for nearly a quarter of global Gross Domestic Product which allows it to not only exercise asymmetrical power in its dealings with other sovereign nations but also

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to influence the international institutions that shape the economic development throughout the world. As voting in the IMF and WB is weighted by contribution, the US possesses the power to influence the rules of game of the global economic order, thus transforming its relational power into structural power.

The focus on social coercion and its structural sources expands the spectrum of experiences which count as instances of social injustice. Valid grievances span from people abandoning their communities out of economic desperation, the criminalization of economic refugees in the name of national sovereignty, the 'brain drain' of emigration, to the environmental devastation that hurts the poor most.

The over-arching normative benchmark that allows us both to discern valid grievances and assess befitting solutions is that of a particular notion of agential freedom that Ingram derives from discourse ethics and recognition theory. A baseline of agential development is deemed essential to a 'morally acceptable respect for dignified life' (189). Importantly, following Nancy Fraser, Ingram suggests that we view all injustices as violations of a principle of participatory parity in making decisions about the particular distribution of life-chances (e.g through the allocation of cultural roles, economic resources, and political inclusion), but also in questioning the basic frameworks within which such questions of justice are raised in the first place (e.g. why the nation-state, why local democracy?). This allows Ingram to articulate an ethics of development premised on realizing the supreme value of agency, in which nondomination is to be obtained through participatory parity among all concerned.

What critique of the contemporary global political economy does this conceptual framework enable? The target of Ingram's analysis is what has come to be known as the 'neoliberal' model of global economic integration with a special attention on its effects on underdevelopment. This model emerged in the course of the last two decades of the twentieth century and took the shape of what Nancy Fraser (2017) has aptly called 'progressive neoliberalism' - a hegemonic consensus among the dominant political forces forged as a combination between economic liberalism (predominance of free market principles) and political liberalism (the New Left's agenda of multiculturalism, non-discrimination and environmental justice). Through the conditionality in disbursing development aid, the 'Washington consensus' (the policy formula use by Washington-based financial institutions) exported progressive neoliberalism from the West to the rest - financial assistance was made available provided that recipients opened their markets, liberalized their economies, but also undertook 'good governance' commitments such as respect for human rights and accountable rule. The particular injustice of the deal is not that it serves American interests but that it imposes a model of development on the borrowing nations, thus violating the ethical principles of agency and participatory parity. Moreover, it is the *nature* of the neoliberal global order that generates the injustice of under-development as poverty, economic inequality, and the production of negative externalities (such as environmental costs that are not directly calculated in production and consumption) 'diminish the agency of the poor and render them more vulnerable to economic and political coercion' (190). This rendition of the social dynamics of global injustice allows Ingram to defend the duty of improving the lives of fellow participants in the global social contract (189) as well as advance a political duty to create just international relations wherein domination and coercion are minimized (184).

This framing of the injustice of underdevelopment in terms of coercion and domination in the global political economy opens a powerful perspective for emancipatory critique. I would next proceed to test this model of critique by deploying it in an analysis of the global economy not simply as integrated national *markets* but as globally integrated *capitalism* – that is, a system of social relations, rather than only as a system of economic processes of production, exchange and consumption of goods and services.

Viewed as a capitalist system of social relations, the globally integrated economy can be described in the following way. It is constituted by its core operational dynamic – the competitive production of profit. This dynamic permeates not only the economic production, allocation, and consumption of goods, but also supplies the logic of the formation and distribution of social status. This constitutive logic of capitalism is enacted through institutional logistics – namely social institutions with structuring effect – such as the private property and private management of the means of production, as well as the (formally) free labour contract. As these institutions configure the social relations among actors, they affect the distribution of life-chances among them.<sup>1</sup>

From such an understanding of capitalism as a system of structured social relations, three trajectories of domination and their attendant forms of social injustice can be discerned. *Relational domination* occurs in the event of some actors dominating others by force of the unequal distribution of power among them (note that this does not mean that any unequal distribution of power results in domination). Exclusion and inequality are the typical forms of injustice on this plane. *Structural domination* occurs by force of the power the structuring institutions give some actors over others. Thus, the private property and management of productive capital enables the exploitation of wage labour – the typical form of structural injustice, which cannot be remedied via distribution or inclusion. Finally, there is *systemic* domination – the subjugation of all participants, irrespectively of their place within the system, to the operational dynamic of capitalism – the competitive production of profit.

How does the account of underdevelopment, as articulated by David Ingram, enable us to address injustices emerging within these three forms of domination?

In the realm of *relational domination*, blatant disparities in power emerge between the hegemonic centre (the U.S. and its European allies) and the rest of the world, rooted in inequalities of wealth. The power dynamics of relational domination are explicit in the conditionality of development assistance, the allure of which the U.S. uses to mould the policies of foreign governments to conform to American interests. Moreover, the current trade regime allows powerful countries to subsidize domestic producers while at the same time imposing quotas and tariffs on imports from poorer countries. This generates impoverishment, underdevelopment, and brain drain. The typical remedy to relational domination is the inclusion of exploited countries in the global economic order, either as recipients of development aid or as equal trade partners. This would provide compensation for the disadvantageous starting point they inherited from colonialism and in turn might secure them a proportionate share of the world's natural resources that are needed for leading a minimally flourishing life. This solution to the injustice of underdevelopment, endorsed by John Rawls, Richard Miller, Charles Beitz and Thomas Pogge (in

<sup>&</sup>lt;sup>1</sup>I have articulated this understanding of capitalism and its attendant forms of domination in Azmanova (2020; 2018).

Ingram's account) relies on the expectation that 'a trade regime that eliminated subsidies, tariffs, and quotas for all trading partners would not only be fairer but would result in considerable exchange flowing back to developing countries' (190–191).

Such positions are afflicted by an analytical fallacy I call 'the emancipation paradox'. The paradox consists in the following: Often, in order to successfully alleviate one form of domination, we valorize another form of domination within which remedies are sought. Thus, when advocates of free trade urge that developing nations be included on equal footing in the global economy, they implicitly give positive normative sanction to the system within which inclusion and equality are being sought. This disables questioning of the harms incurred by the system of globally integrated capitalism irrespectively of the particular distribution of the system's outputs.<sup>2</sup>

David Ingram avoids the emancipation paradox because he perceives underdevelopment above all as resulting from a social coercion endogenous to the structured environment of the global economy; he notes that participants' particular positioning within this environment would perpetuate some members' underdevelopment despite their unconstrained access to it via free trade. Criticizing the principles of comparative and competitive advantage that are commonly applied in the policy fiction of free and fair trade, Ingram notes that short-term benefits are offset by long-term damages. On the one hand, developing countries are encouraged to specialize in ways that render them vulnerable to coercion, dependency, market depreciation, resource depletion, environmental degradation, and human resource underdevelopment (especially in unskilled labour-driven economies geared towards manufacturing and resource extraction). On the other hand, these countries receive incentives to pursue productivity growth through cost-saving strategies such as increased exploitation of cheap labour, which harms human beings and society as a whole.

The deepened dynamics of injustice that the full integration of developing countries into the global marketplace entail are enabled by the structure of the global economic order. Ingram works within a neo-Marxian systems theory which, following Immanuel Wallerstein's model, sees the modern world system as being structured by a forced division of labour between a developed centre (or core) of capital-intensive economies which exploits the 'periphery' of the labour-intensive and resource-intensive economies.<sup>3</sup> Within this model, the advantage the countries of the core have in terms of technology, education, and infrastructure makes their production more costeffective, stimulating capital to flow to them (195). As Ingram writes, '[t]hanks in part to the enormous value-added to high tech commodities in comparison to raw resources - not to mention licencing fees for foreign production and distribution and the huge markups in artificially inflated pricing sustained by monopoly patents - trade between industrial countries and the developing world has caused global wealth to flow from South to North, thus perpetuating colonial dependency under a less imperial veneer.' (181). Thus, even as the full and equal inclusion of developing countries in the global economy is likely to remedy some of the relational injustices of poverty and

<sup>&</sup>lt;sup>2</sup>I have discussed the 'emancipation paradox' in Azmanova (2016, 2019).

<sup>&</sup>lt;sup>3</sup>It is a pity that, even as he makes 'structural coercion' and 'structural injustice' central categories of his analysis, Ingram does not explicitly define 'structural' beyond being the opposite of 'accidental' (205; ft 50).

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exclusion by means of expanded consumer choice and employment, this solution comes at the unjustifiable cost of 'locking domestic labour force into an economy of lowpaying manual labor and underdeveloped capacitation, even as it raises concerns about the special vulnerability of these countries to resource depletion and environmental degradation' (197). The interest of developing nations to become equal partners in the global arena – an interest now officially endorsed by all parties to the new global contract – clash with the interest of developed countries to maintain neo-colonial relationships of economic dependency (180).

The typical forms of social injustice in the realm of structural domination are the 'overall decline in wages, working conditions and living environments' (196). Another important harm of structural origin Ingram addresses is the loss of professionals to emigration (brain drain). We might add that the brain drain triggers a 'revolution drain' – it deprives developing nations exactly of those of their citizens who possess the social and human capital to exert pressures for progressive change in their home countries.

How does Ingram's account of the injustice of underdevelopment fare when it comes to systemic domination – that is, the form of social domination that is rooted not in the positioning of actors within the structure of the global world system, but their subjugation to the system's *constitutive dynamic*, namely, the competitive production of profit? This dynamic, I have argued, is in place irrespective of the particular structured division of labour and the distributional outcomes it entails. The globally integrated economy exacerbates the constitutive dynamic of capitalism but does not generate it. The process of colonialialisation can be considered as a process of primitive accumulation when the human and material resources of the colonies were first appropriated and then deployed in the process of capital accumulation. Global trade has expanded and intensified the process of *capital accumulation*, which I prefer to treat as a process of the *competitive production of profit*, in order to stress the competitive and productivist nature of the practices that constitute the social system.

Elements of critique of systemic domination with its related injustices emerge in Ingram's account when he speaks of the subordination of democracies to the allembracing neoliberal imperative for liberalizing product and labour markets. As he writes, '[t]he growth dynamic of capitalism, driven by the cost efficiencies associated with economies of scale, encourages ever greater resource depletion and energy consumption.' (207).

However, the analysis of systemic domination and the harms it generates (e.g. precarity, alienation, environmental devastation) remains incomplete. Ingram himself admits that his discussion of social coercion, as it relies on a recognition-based analysis, does not address other pathologies associated with capitalism, such as self-commodification and alienation from one's working life (205, ft51). This limitation is probably self-imposed for the sake of retaining a very welcome focus on the injustice of underdevelopment. However, I will address this deficiency for the sake of further development of this project.

Three peculiarities of Ingram's conceptual model account for the limited extent in which systemic domination is addressed: (1) the ontology he uses of the global order as integrated national economies, (2) the agential notion of domination with which he works, (3) the understanding of capitalism as an economic system defined above all by

the private property of the means of production. Let me address these three deficiencies in turn.

First, even as he admits that dominant business interests are shaping the global economy, and that 'it might be more accurate to portray the WTO regime as less an instrument of US foreign policy than a regime of multinational corporate rule that benefits rich nations and mainly rich people, no matter their nationality' (182), Ingram works with an idea of the global economy whose units are national economies interconnected through trade. This allows a steady focus on unjustifiable inequalities between nations - which is the central concern of this book. However, this model of the global economy is somewhat out of sync with the realities of the current stage of global economic integration. Historically, trade between sub-national territorial localities enabled the consolidation of nation-states in the seventeenth century; subsequently, these states engaged in the creation of the modern world system via trade and colonial expansion. The last iteration of this process was marked by the liberalization of finance in the late 20<sup>th</sup> century, which, via the facilitation of global direct investment, ensued the latest stage of globalization. However, by now, the global economic order is constituted not so much by national economies interlinked through trade, but by trans-national, global production networks and value chains though which the dynamics of competitive production of profit are enacted.<sup>4</sup> In other words, the global economy is not an *internatonal*, but a *trans*national entity. Analyses that work with an ontology of global capitalism as integrated national economies are bound to overlook sources of injustice within territorial units as well as across them, much as they are apt at scrutinizing the injustice of inequalities between them.

Second, Ingram works with an agential notion of power, which prevents him from perceiving of domination fully as social domination – that is, as subordination of all actors to the constitutive dynamics of capitalism, including those who profit from the structured and institutionalized distribution of benefits and losses, opportunities and risks. In his view, '[t]he global economy connects persons through relations of global interdependence and mutual effect, so that all share responsibility for structural injustice in differing degrees and respects' (189). He is correct to dispense with precise determinations of agent causation in formulating, following Iris Young, a general duty to mitigate such harms. Yet, as he derives such duties from the fact of social connectedness among discrete individual and collective agents with their agential powers, this somewhat obscures the dynamics of domination that are sourced from the very practices of the competitive production of profit. Positioning critique more firmly on these practices would enhance the rigour of the analysis of global capitalism.

This leads me to the third source of the limited treatment of systemic domination that Ingram's critique of underdevelopment allows. His search for solutions in the framework of democratic socialism proceed from an understanding of capitalism as a sociopolitical system centred on the structure of the private property of the means of production, instituted in the legal separation between private capital and social labour (205). Thus, Ingram contends that 'market economies that have as their background private ownership of productive assets (capitalism) are on the whole less democratic and less efficient than market economies that have as their background public ownership of productive assets (socialism), all other things being equal.' (203-204). Noting the incapacity of any global market economy to mitigate poverty, inequality, and environmental damage, he advocates two steps. First, we need to democratize government (203), which will reduce the coercive nature of the global market economy. However, unsustainable economic growth, Ingram rightly asserts, is a structural feature of capitalism. This leads him to suggest that, to overcome the structural injustices endemic to capitalism, we need a market socialist economy composed, for instance, of worker-controlled cooperatives (205). However, as a system of social relations capitalism cannot be reduced to its structuring institutions, it is above all a social system constituted by the dynamics of competitive pursuit of profit which permeates actors' social existence beyond their engagement in the economic process of commodity production. We have no reasons to be confident that democratic decisionmaking, institutionalized in democratic political systems and worker cooperatives would not commit to, and be entrapped by, these competitive dynamics. Ingram addresses this problem by drawing on David Schweickart's model of democratic socialism (216). However, the solutions - putting breaks on competition via certain forms of trade protectionism confirms, rather than defies, the charge that the socialization of productive assets is not logically incompatible with and impervious to the very constitutive dynamic of capitalism - the competitive production of profit.

In other words, if we are to achieve a global socio-economic order as a 'voluntary social contract between nations and persons' (212), as David Ingram advocates, we would need to eliminate not only the private property of the means of production, but the competitive nature of economic practice, as well as the productivist nature of work – something that a collective ownership and public stewardship of the productive assets does not necessarily eliminate. I fail to see the basis of such democratic optimism, shared very broadly in today's left-leaning scholarship. Surely, even the perfectly voluntary contract among perfectly free and equal actors could engender a society committed to, and dominated by, the competitive production of profit – should those perfect democrats deem this to be the best way to develop their agential capabilities. A principle of participatory parity does not eliminate this as a valid path of development. Eliminating coercion from our economic lives might need also some constraint on democracy – just like, at the very inception of European liberal democracies, the core principles of liberalism were placed beyond the decisional power of democratic publics.

## **Disclosure statement**

No potential conflict of interest was reported by the author.

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