Two theories of international justice and the third world debt crisis

Kevin Joseph D'Arcy

University of Wollongong

Copyright Warning

This work is copyright. Apart from any use permitted under the Copyright Act 1968, no part of this work may be reproduced by any process, nor may any other exclusive right be exercised, without the permission of the author.

Copyright owners are entitled to take legal action against persons who infringe their copyright. A reproduction of material that is protected by copyright may be a copyright infringement. A court may impose penalties and award damages in relation to offences and infringements relating to copyright material. Higher penalties may apply, and higher damages may be awarded, for offences and infringements involving the conversion of material into digital or electronic form.

Recommended Citation

TWO THEORIES OF INTERNATIONAL JUSTICE AND THE THIRD WORLD DEBT CRISIS

A thesis submitted in partial fulfilment of the requirements for the award of the degree

HONOURS MASTER OF ARTS

from

THE UNIVERSITY OF WOLLONGONG

by

Kevin Joseph D'Arcy  B. Sc.

PHILOSOPHY PROGRAM

1997
This thesis is entirely my own work, and does not include any material which was written or researched by another person.

Kevin Joseph D'Arcy
This thesis has not been submitted for a degree to any other university or institution.

Kevin Joseph D'Arcy
SUMMARY

In this thesis I assess Susan George's proposed solution to the Third World debt crisis in the light of two contemporary and competing theories of justice which have international application. The two theories against which George's proposal is assessed are Onora O'Neill's Kantian-inspired theory of justice and R.M. Hare's preference utilitarianism. These theories are firstly located amongst various ethical traditions that have been applied to international relations and are selected as significant contenders in their relevance to an issue such as the Third World debt crisis. After outlining George's account of the importance and origins of the Third World debt crisis, I set out the details of her solution to that crisis. This proposed solution is then assessed in the light of the two theories of justice selected. In the final chapter I conclude that most aspects of George's proposal meet the requirements of justice according to both competing theories of justice. However, I argue that her insistence on democratisation is problematic on both theories.
ACKNOWLEDGEMENT

I am grateful to my supervisors, Doctor Suzanne Uniacke and Associate Professor Robert Dunn, for their continual help in the course of writing this thesis. They have been generous with their time in reading various drafts and constructive in their criticism.
PREFACE

One basic way of dividing up ethical traditions that apply to international relations is into traditions which are consequence-oriented and traditions which are rule-oriented. In this thesis, I consider one concrete proposal to solve the Third World debt crisis. This is the proposal put forward by Susan George in *A Fate Worse Than Debt*. I consider this proposal in the light of two ethical theories that clearly apply to issues of international justice, especially in relation to extensive distributive inequalities. The two theories on which I concentrate are R. M. Hare's preference utilitarianism and Onora O'Neill's Kantian-inspired, deontological theory. Hare's theory falls within the consequence-oriented tradition, while O'Neill's theory falls within the rule-oriented tradition.

I have set myself a limited, applied project. I wish to examine how a well-known, well-respected, anti-establishment proposal for solving the Third World debt crisis fares in the light of two significant, competing, contemporary ethical theories. Third World debt is a major contributor to widespread hunger and destitution among ordinary people in the Third World. It is also a significant cause of deprivation among ordinary people in the First World. Susan George offers a considered, practicable solution to the debt crisis in an attempt to alleviate the suffering caused, in part, by that crisis. It is therefore important to judge how just George's solution is. The present inquiry contributes to that task.
I develop my thesis in the following way. In Chapter 1, I present a survey of some major ethical traditions that apply to international relations. The survey largely, but not wholly, relies on secondary sources. I am not especially concerned with assessing these various ethical traditions as theories of ethics. The main point of the survey is to locate the two contemporary applied ethical theories that are in focus in the thesis among some of the chief ethical traditions that have been applied to international, as opposed to only domestic, affairs. As part of this contextualising task, I review what I take to be the salient, generic advantages and disadvantages of these ethical traditions in their application as theories of international ethics.

In Chapter 2, I concentrate on George's book *A Fate Worse Than Debt*. I outline her analysis of why Third World debt is such a problem for various groups of people in both the Third and First Worlds, give her account of how Third World debt came about, and detail her proposed solution. I also refer to a more recent book by George, *The Debt Boomerang*, in which she amplifies her account of the effects of Third World debt on both the Third and First Worlds. I shall not be challenging George's account of how the Third World debt crisis came about and of what effects it has had. Along with many others, I take her account to be incisive and authoritative.

In Chapter 3, I provide an account of Hare's theory of justice, both formal and substantial, and relate it to his theory of ethics—preference utilitarianism. My principal aim in this chapter is to establish the background for assessing George's proposed solution to the Third World debt crisis in the light of Hare's account of
distributive justice, as this has international application. In Chapter 4, I assess how just George's solution is in the light of Hare's account of justice. I argue that, while George's solution to the Third World debt crisis looks good on several counts, from a preference-utilitarian perspective on justice like Hare's, there is a problem about how genuinely sensitive her solution is to the actual preferences of all the affected parties, given her insistence on democratic values.

In Chapter 5, I characterise Onora O'Neill's Kantian-inspired theory of justice and identify the essential features of that theory against which to assess George's proposal. In Chapter 6, I then proceed to assess George's proposal in the light of O'Neill's theory of justice. I argue that this proposal has many virtues, under O'Neill's theory; but again, George's insistence on democracy is morally problematic—in this case because it is arguably coercive in a fundamental way. I conclude the thesis with a brief summary in Chapter 7.
In the present chapter, I characterise some of the main ethical theories that apply to international relations and locate among these the two applied theories in focus in this thesis. I also comment on what I take to be the primary, generic advantages and disadvantages of these various theories as theories of international ethics. First, I briefly look at natural-law theory, which is included in the rule-oriented class of ethical theories. I then make some remarks on Kantianism, rights theories, and contractarianism, all of which also count as rule-oriented theories. Finally, I make some observations about utilitarianism, as a consequence-oriented theory of ethics, applied to issues of international relations.

In my review of the advantages and disadvantages of the various theories of international ethics, I make some fairly standard assumptions about desiderata in a theory of international ethics. For example, I assume that a good theory of international ethics would include features like the following: (1) it would be cosmopolitan; (2) it would be accessible to those to whom it applies; (3) it would have the resources to provide for a contextually sensitive critique of current values within groups; (4) it would have a perspicuous decision-procedure that was relevant to non-idealised agents and agencies; (5) it would allow for a plurality of
agents and agencies; (6) it would be informative, in a world of need, about moral obligations that extend beyond the strict requirements of justice.¹ I return to the issue of desiderata in a theory of international ethics in Chapters 5 and 6.

**Natural Law**

(i) *Distinguishing Features*

The natural-law tradition within ethics is often associated with developments in Christian moral philosophy and thought, particularly in Catholicism, since the time of Aquinas (Boyle 1992, p. 112). The natural-law tradition, however, is not restricted to a religious view. Rather, natural-law theorists maintain that, through use of practical reason, rational beings can identify basic human goods and the moral precepts through which these human goods can be attained.

It is convenient to call the nonreligious component of the natural-law tradition 'common morality'.² Joseph Boyle depicts four features of common morality shared by natural-law theorists. First, the precepts of the Mosaic decalogue are taken as "established beyond question, even though these precepts are most often regarded as the implications of more fundamental principles" (Boyle

¹These criteria strongly overlap with the standards of applied ethical reasoning about problems of the public domain set by Onora O'Neill (O'Neill 1986, p. 49).
²This term was coined by Alan Donagan (Boyle 1992, p. 117).
Second, common morality treats some of the precepts of the decalogue as absolute prohibitions on some kinds of action (Boyle 1992, p. 118). Such prohibitions can hold even when there is a strong positive obligation to promote an overriding good or to avoid an urgent disaster. Further, when deliberating on which course of action is the right one, natural-law theorists maintain that the intention of the agent is important. They interpret St. Paul's dictum that 'one must not do evil that good may come of it', when applied to actions that harm human beings, as referring to harms that are intended. In cases where the harm comes about as a side-effect of the action, the action might still be wrong, but it might also be permissible. (The doctrine of double effect instantiates this idea.) Third, the moral norms of common morality are agent relative. (They direct the actions of agents rather than the production of outcomes.) A moral norm, such as the proscription of murder "is addressed to every person and directs each not to murder" (Boyle 1992, p. 118). The focus of moral responsibility is put on the agent, such that each is responsible for their own choices and intentions. These three features of common morality fall within the spectrum of deontological moral theory.

The fourth feature of common morality is its universalism. It is universal in that it provides a basis for how one is to treat all human beings in virtue of our shared humanity. According to Boyle, "common morality...rejects those forms of relativism that locate moral standards in the lived values of specific communities"
(Boyle 1992, p. 122). So, while all people have rights, these rights are implied by the obligations which stem from the fundamental principles of common morality. As an aspect of its universalism, common morality includes a general duty to help others. The scope of this duty stretches beyond the boundaries of one's own community or nation. So, for example, this general duty to help others may mean that "when many in the third world face imminent starvation relatively wealthy people in richer parts of the world have a serious moral obligation to come to their aid" (Boyle 1992, p. 123).

(ii) The Advantages of Natural-Law Theory

Natural-law theory has several advantages in its application to international relations. First, the theory's universalism tends to make it cosmopolitan in its outlook. Certain moral prescriptions and proscriptions that apply transcend national and cultural boundaries. One's neighbour can include the whole of humanity.

Second, natural-law theory provides a method for the development and revision of moral principles (reform of commitments). Normative moral deliberation within natural-law theory involves casuistry, which is used to develop and revise moral principles. According to Boyle, "no one is stuck with a set of values that cannot be criticised by appeal to a higher standard" (Boyle 1992, p. 124). So, even within common morality, deliberation need not be tied to established or establishment values.
Third, natural-law theory construes moral discourse or dialogue in terms of values that are in principle accessible to all. The basic precepts of common morality are accessible to human reason, and so knowable by anyone capable of thought and action (Boyle 1992, p. 123). As Boyle comments: according to the theory "moral dialogue with others has a chance to succeed because...neither one's own contribution to the dialogue nor that of others is simply a function of values and concerns to which the other party cannot have access" (Boyle 1992, p. 124). Unlike utilitarianism, which is algorithmic, the casuistry of natural-law theory does not fundamentally involve a calculation and comparison of likely outcomes. Rather, "possible actions are considered in relation to already established principles and norms...and the investigation is designed to clarify which of the norms applies" (Boyle 1992, p. 120). This procedure of classification is taken to be accessible to all in principle.

Fourth, natural-law theory provides for the resolution of moral dilemmas in a contextually sensitive way. Two important features of the model of resolution in cases where there is an apparent conflict of obligation are the appeal to the doctrine of double effect and the application of practical wisdom, or prudentia. When indeterminacies remain after rational investigation has done its best, prudentia is necessary for resolution. Prudentia "presupposes a feel for the concrete emotional appeal of the particulars of action that requires possession of the moral virtues...and includes a responsiveness to the possibilities for doing good that is irreducible to reasoning" (Boyle 1992, p. 126).
Despite its advantages, natural-law theory has severe drawbacks in its application to international issues. Central among these is that the theory does not provide a very perspicuous procedure for the application of moral principles to difficult cases. Certain pivotal notions—like the 'common good'—are opaque, as are certain other aspects of the decision-making process—like the role of the virtuous leader's practical wisdom in assessing the concrete details of difficult cases (Boyle 1992, p. 116). Within natural-law theory, the common good is the basis for the authority of political society and its leaders. Yet a central, controversial issue in the application of the theory to international issues is how plausibly the notion of the common good might be extended to embrace the entire social world, given present levels of communication and interdependence (Boyle 1992, pp. 128 ff.). The decision-making process, within natural-law theory, can be uncertain in its application because only basic principles are thought of as natural and so readily knowable by mature human beings. Judgements on particular, practical issues are then derivative from these basic principles. As there can be several forms of derivation, it can be uncertain which course of action is the right course of action (Boyle 1992, p. 125).
Kantianism

(i) Distinguishing Features

Kant's moral theory falls into the category of rule-oriented theories. It is thoroughly *deontological*. It is agent-centred (placing an emphasis on agents' motives and intentions) and interprets right action as action of a certain kind. Kant's moral theory sharply contrasts with consequentialism, which holds that the rightness or wrongness of an action is determined only by considerations of consequences.

For Kant, right action—including right action in international relations—lies in responding to an *a priori* demand of reason, the categorical imperative. This highest of moral principles bids each of us to "*[a]ct only on that maxim through which you can at the same time will that it should become a universal law*" (Kant 1948, p. 84, emphasis original). A practical imperative that Kant derives from this is to "*[a]ct in such a way that you always treat humanity, whether in your own person or in the person of any other, never simply as a means, but always at the same time as an end*" (Kant 1948, p. 91, emphasis original).

Kant's approach to international ethics has three main aspects. These are (1) that the state is a moral person, (2) that all persons originally held the earth's land in community, and (3) that there is a demand on all individuals and nations to strive for perpetual peace (Donaldson 1992, pp. 145 ff.). The third aspect of Kant's approach to international ethics reflects the centrality of cooperation in Kant's
international ethic. International cooperation is an *a priori* demand of reason.

(ii) Advantages of Kant's Theory

One promising feature of applying Kantian ethics to international affairs is that it is deeply cosmopolitan. For Kant it is a *demand of reason*, manifest in the categorical imperative, that we treat all of humanity as ends in themselves. Accordingly, we have obligations to all humans (and they have correlative human rights). So, for Kant there are some cross-cultural moral requirements which are implicit in the categorical imperative. The universalism of Kantian ethics contrasts with cultural relativism.

According to Kant's international morality, there is a demand for international cooperation. For Kant, international cooperation is an *a priori* demand of reason. Kant's justification for international cooperation is founded on morality. In this way he contrasts with Hobbes, who bases international cooperation on the expected benefits, and with Rawls, who sees cooperation as the basis for moral obligations. For Kant, actual or potential international reciprocity is largely irrelevant for determining the obligations of international agencies.

Kant's metaphysical notion of the state, that it has personhood, gives the state virtually every moral obligation that morally rational individuals possess. These obligations include keeping promises, refraining from lying, and furthering the happiness of individuals, including individuals in other states. It could even ground the moral obligation of one state to save the
lives of individuals starving in other states (Donaldson 1992, p. 149). This is an obviously promising feature of Kantian moral theory, as it applies to international affairs, since it does not restrict obligations of justice to individuals. Furthermore, by giving states the property of personhood, Kantian ethics can determine the moral obligations of one state to another (Donaldson 1992, p. 144).

A further advantageous feature of Kant's personification of the state, and the moral obligations which go along with his conception of the state, is that it gives grounds for objection to the "functional specialisation" argument. According to the functional specialisation argument, the roles and duties of agencies, such as nation-states and international organisations like the International Monetary Fund (IMF), are determined by their function. Nation-states, for example, have it as their function to secure the welfare of their citizens and they have no duties to others outside their nation. The function of the IMF, some may argue, is to provide short-term assistance to nation-states for balance of payment problems and does not include any duty to secure human rights (Donaldson 1992, pp. 152 f.). On a Kantian account, by contrast, agencies such as nation-states have moral responsibilities which are not restricted to their own citizens but which extend to others outside the nation-state. More generally, agencies that act on principles which neglect human rights act on principles that are nonuniversalizable, and so act in ways that are morally reprehensible.

Yet another promising feature of Kantian morality is that it places emphasis on duties rather than rights and so tells us not only which actions are forbidden but also which actions are obligatory.
Onora O'Neill makes use of Kant's distinction between perfect duties and imperfect duties. On the Kantian account, perfect duties are actions which are required in order to avoid acting on principles which are nonuniversalizable on logical or conceptual grounds. Perfect duties include duties of justice, which include acting on principles of noncoercion and nondeception. According to Onora O'Neill, the fulfilment of one's perfect duties not only requires avoidance of certain actions but may require an agent to perform some action which is necessary to avoid acting on principles of coercion and deception. Imperfect duties arise from special consideration of our limited capacities and material needs as embodied, human beings. In order to engage in autonomous action, needy and finitely rational beings standardly need help and cooperation from others. Because of our limited capacities and material needs as humans, acting on principles of disrespect and neglect of beneficence is nonuniversalizable. Accordingly, this gives rise to imperfect duties such as duties of beneficence and respect. Such imperfect duties can play an important role in moral issues that arise from Third World debt because of the help and cooperation that is often needed to secure the autonomy of agents affected by Third World debt.

4O'Neill points out that the Kantian distinction between perfect duties and imperfect duties is different from the distinction made by rights theorists and consequentialists (O'Neill 1986, pp. 102 & 138 ff.).

5Unlike perfect duties, imperfect duties are selective. Nonetheless, imperfect duties are duties and it is not permissible not to act on them.

6For further discussion of the relation between justice and imperfect duties, see my Ch. 5, the section, 'Justice and Imperfect Duties'.
(iii) Disadvantages of Kant's Theory

There are at least three problems with Kant's theory, as an ethical theory with application to international relations. First, it suffers from incompleteness. For example, it is not clear just how nation-states really can be Kantian moral agents—with rational, autonomous 'noumenal' selves (Donaldson 1992, p. 154). Second, there is a problem about whether a thoroughgoing deontologism can be sustained. As Donaldson remarks, "[s]o few principles appear to be truly universalizable" (Donaldson 1992, p. 154). Any general principle such as 'never lie' or 'never harm innocents' seems susceptible to counterexamples. Such a principle would then warrant being refined in a way which makes it less general and more specific. Donaldson argues that it would seem difficult to justify the more specific form of the principle without appealing to considerations of consequences. If this is the case then the deontological principles seem hostage to consequentialist considerations after all.

Finally, Kantian deliberation can be criticised for its abstractness, especially in relation to its idealised account of human agency. This apparently renders Kantian ethics irrelevant to the moral deliberation of actual, nonidealized humans. Onora O'Neill, for example, maintains that since Kant's moral prescriptions amount to "a unique set of rules...and those rules could guide the action only of idealized, individual agents, then Kant's own specific ethical conclusions would be irrelevant in all human affairs" (O'Neill 1986, p. 137). However, while O'Neill thinks that there is a serious problem in this aspect of Kantian theory, she also thinks that a
revised version of Kantian ethics is salvageable. In Chapters 5 and 6, I discuss O'Neill's application of a revised version of Kantian ethics to problems of the Third World in considerable detail.

Rights

(i) Rights talk common to various ethical traditions

Rights talk seems to be common to competing ethical traditions and there have been deontological and consequentialist attempts to justify rights claims. Some central features of rights talk (especially human rights talk) are these. First, rights talk tends to locate the notion of human dignity as the central notion in moral discourse. Rights are taken to reflect one's status as a person. Second, neglect or violation of rights are typically invoked to criticise the unfortunate conditions under which people find themselves (Vincent 1992, p. 254). Third, talk of rights as natural or human identifies them as species-specific, and not as culture-specific (Vincent 1992, p. 255).

The possessors of rights (moral or legal) can be divided into three categories: individuals, states, and groups other than states. The rights of individuals include what are often referred to as human rights or natural rights, and these are considered to be possessed by each and every individual who is a member of humankind. Such rights are typically considered to be moral rights. The rights of states come about from the society of coexisting states. States are the principle subjects of international law and so the
Rights of states are usually thought of as legal rights or political rights. Rights typically associated with states are the right to security of territory, the right to liberty as an independent polity and the right to economic sovereignty. Groups other than states, which include multinational corporations, churches and political groups, also play a role in international politics and are the subjects of rights. The rights of agencies other than states are at times considered as moral rights and at times considered as legal rights.\(^7\)

Rights talk figures in rule-oriented ethical theories.\(^8\) While Kantian deliberation is typically articulated in the form of moral imperatives or duties, it is not uncommon for Kantian-centred deliberation to be in the form of rights talk. As Donaldson points out, "Kant would defend the existence of global obligations, and their corollaries, global human rights" (Donaldson 1992, p. 144). Kant, at times refers to the rights of states: "According to Kant, each state has an 'original right' to defend itself from harm" (Donaldson 1992, p. 145).

Within the contractarian tradition, rights have played an important role. John Rawls, for example, in developing a theory of justice for domestic liberal society, has as his first principle of justice that "each person is to have an equal right to the most

\(^7\)Each of these three categories of rights—the rights of individuals, states and non-state groups—can be variously considered as legal or moral rights. While we normally think of human rights as moral rights they can be considered as legal rights, as is the case with the United Nations declaration of human rights. Similarly, reference to the rights of states is normally a feature of legal discourse, but reference to such rights is also found in moral theory.

\(^8\)Natural-law theorists like Aquinas do not speak of rights, but modern natural-law theorists like John Finnis accord them a central role (Mapel & Nardin 1992, p. 311).
extensive basic liberty compatible with a similar liberty for others" (Rawls 1972, p. 60). In Rawls' later work, in developing a theory of international justice, the rights of peoples (or states) play an essential role. Rawls also maintains that in order for a society to be well-ordered it must respect basic human rights (Rawls 1993, p. 62).

Rights talk has also found its way into consequentialist theory. John Stuart Mill, for example, thinks that to have a right "is to have something which society ought to defend me in the possession of" (Mill 1991, p. 189). For Mill, the justification of why society ought to defend one's possession of rights is grounded in personal security. Without this security, we could only find gratification in the moment as we could lose whatever we had the following moment by anyone who at the time was stronger than ourselves. Rights also play an important role in some contemporary consequentialist theories. Richard Hare, for example, maintains that rights "are, indeed, an immensely important element in our moral thinking—important enough to justify, in many cases, the claim that they are 'trumps'" (Hare 1981, p. 155). For Hare, rights play an important role at the intuitive level of moral reasoning and gain their justification at the critical level on account of their acceptance utility.\(^9\) That is, rights are justified, at the critical level of moral reasoning, if their general acceptance in the society in question will maximise the interests of all those in that society, considered impartially (Hare 1981, p. 156).

\(^9\)I elaborate on the contrast between the intuitive and critical levels of moral reasoning in Chs 3 and 4.
(ii) Advantages of appeal to rights

One promising feature of an appeal to rights, in deliberation on international relations, is that talk about rights is already so widespread. International agencies such as the United Nations and Amnesty International often refer to universal human rights and appeal to the Universal Declaration of Human Rights. It is not uncommon for people to talk about the rights of women and the rights of children. Not only are the rights of states referred to, but also the rights of nations, peoples and races. So, it would seem that appealing to rights would be an accessible place to start in deliberation on international ethics.

Another promising feature of the language of rights, applied to international relations, is that those who incur duties that correlate with rights are said to include a wide range of agencies and agents. Not only do states have rights but they also have duties. The duties of states may include the duty to ensure that the human rights of their citizens are not violated. Rights talk can apply to groups other than states. The rights of one group may ground a correlative duty for another group. For example, "a duty to avoid depriving may require a particular kind of provision from a mining company to a community habitually dependent on a subsistence agriculture that would be disrupted by development" (Vincent 1992, p. 260).

(iii) Disadvantages of appeal to rights

Even so, this last virtue should not be exaggerated. For one problem associated with rights talk, particularly talk of human
rights, is that it carries a vague message as to who actually has the correlative obligation. This is especially the case for positive rights—those rights which people have which require the assistance of others (O'Neill 1986, p. 117 ff.). For example, it is arguable that human rights include welfare rights such as the right to minimal subsistence. However, in cases where individuals' minimal subsistent needs are not met (or cannot be met) by their own government, it is not clear on whom the correlative obligation falls.

According to O'Neill, within the discourse of rights, meeting the needs of those in extreme poverty is typically an imperfect duty which may be bestowed at will. The point here is that deliberation which takes rights rather than obligations as fundamental sees beneficence as less important. Since no one can meet the needs of all the extremely poor, meeting their needs cannot be a universal obligation. According to O'Neill, within rights theory, feeding the poor cannot be a perfect obligation but is rather an imperfect obligation. O'Neill maintains that imperfect obligations are seen by rights theorists as a matter of charity or optional beneficence (O'Neill 1986, p. 102).

Another problem with making an appeal to rights central in dealing with ethical problems that arise out of international relations just is the fact that rights claims do not seem to be morally basic. They need to be justified in terms of further theory—be this deontological or consequentialist. So, while rights claims may play some role in moral theory, it is important not to take the rights claims as central.
A further possible problem with an appeal to rights, applied globally, is that it may not be sensitive to non-western values. It could be argued, for example, that the notion of human rights, as normally construed, reflects Western or Northern values—that the idea behind human rights, so construed, is to preserve and nurture one's individuality. Yet individualism is not a central value to all cultures. For example, within Socialist theory, it is not the individual which is the focus of moral importance but rather the group. As Vincent remarks: "because a socialist society has transcended the individualist self-interest of bourgeois society, the social grouping that achieved this became itself the subject of rights" (Vincent 1992, p. 263). Further, a Western construal of human rights may be inappropriate for those cultures in the South which take social harmony and the preservation of the fabric of social life as central political values. In such cultures, individuals gain their identity through a group rather than against it. This generates the idea that one has obligations to the group rather than against it, and that the rights of the group are more important than the rights of the individual.

Finally, there are some problems with the extension of talk of rights beyond individuals to social or political entities like states. For example, some theorists argue that the (implicit or explicit) consent of individuals who make up the state gives the state certain rights; the idea being that the state then in return serves to further the interests of its members. Two problems with this are (i) that only those states which did have the consent of their members would enjoy the relevant rights, and (ii) that states tend not to be
the sorts of entity with which people can freely associate and from which people can freely disassociate. The first problem means that nondemocratic states are likely to lack the moral prerequisites to be rights holders. The second problem raises a general doubt about whether citizens can ever give the required noncoerced consent to their membership of a state.

**Contractarianism**

(*i* *Distinguishing Features*)

The contractarian tradition typically falls into the category of rule-oriented theories. However, some theorists have maintained that some construals of the contractarian method yield utilitarian, consequentialist principles. What distinguishes contractarianism from other ethical traditions is the idea that moral principles, especially principles of justice, are developed and derive their justification through a social contract. While there has been wide disagreement among contractarians on what principles of justice are derived from social contract theory, there is considerable similarity in their method. Three common aspects of contractarian theory are: determining the circumstances under which justice is possible and necessary, a description of the moral constraints under which principles are chosen, and a theory of rational choice which explains why the relevant principles are chosen (Mapel 1992, p. 182).

While a description of social circumstances is important to contractarian theories, there are varying views amongst competing
theories as to what are the conditions or circumstances of justice. One way in which contractarians differ is in relation to the assumptions made concerning the motivations of individuals, or agencies such as states, towards social cooperation. Some assume that individuals or states are altruistic and law-abiding; while others assume that individuals or states are competitive and that social cooperation only comes about in the light of sanctions.

Another important feature of contractarianism is that there are ethical constraints built into the initial 'contractual agreement'. But again, there is considerable disparity amongst the competing theories about what these ethical constraints are. Rawls, for example, develops his theory of justice around the participants having little detail about their actual circumstances in order to ensure that the principles agreed to would be impartial. By contrast, Hobbes develops his contractarian theory around the participants having considerable knowledge of their circumstances. Locke makes some extra-contractarian presumptions; for example, that individuals have certain natural rights.

A feature common to contractarianism is that all have a theory about rational choice, which explains the principles which are generated. Here too there can be considerable divergence among the competing contractarian theories. Classical contractarians such as Hobbes focus on minimising certain harms. Contemporary contractarians such as Rawls maintain that the original choosers would want to maximise certain preferences within certain constraints. In his discussion of domestic justice within a liberal society, Rawls claims that individuals would want to
maximise the benefits of the worst off members in society. Typically, the principles generated by contractarianism are not consequence-oriented principles. Rather, contractarian theorists tend to argue that contractarian reasoning generates principles which see rights as more important than some consequence-oriented end state.

Another area in which contractarian theorists diverge is in relation to their views on the likelihood of applying a contractarian theory of justice internationally. According to Mapel, classical contractarians such as Hobbes, Locke and Rousseau have deep affinities with classical political realism (Mapel 1992, pp. 186 ff.). Mapel argues that classical contractarians "[w]ith the partial exception of Locke...tend to regard individuals outside of civil society as primarily motivated by scarcity, fear, or a desire to dominate" (Mapel 1992, p. 187). While classical contractarians are inclined to view international cooperation as possible, they are dubious about its eventuality. Both Hobbes and Locke maintain that the preservation of the state is of more importance than maintaining cooperation at the international level. Accordingly, they see the possibility of international law and reciprocity as limited (Mapel 1992, pp. 188 f.).

Contemporary contractarians, on the other hand, are more optimistic about the possibility of international justice. One such contemporary contractarian, who optimistically sketches an international theory of justice, is John Rawls. I shall focus the rest of this discussion on Rawls' recent work on an international theory of justice.
(ii) Rawls' International Theory of Justice

Ideal Theory

In his Oxford Amnesty Lecture "The Law of Peoples", Rawls sets out to give a sketch of "how the law of peoples may be developed out of liberal ideas of justice similar to but more general than the idea [he] called justice as fairness and presented in [his] book A Theory of Justice" (Rawls 1993, p. 42).10

In developing a global theory of justice, Rawls attempts to include liberal societies and nonliberal societies. Three conditions that a society must satisfy to be included in Rawls' theory of the law of peoples are: (i) that the domestic system of laws within that society are seen as legitimate in the eyes of its own people, (ii) that the society honours basic human rights, and (iii) that the society respects principles of peace and is not expansionist. Rawls calls those nonliberal societies which satisfy these conditions well-ordered hierarchical societies.

In determining principles of international justice,11 which apply to both liberal and well-ordered hierarchical societies, Rawls sets up a method similar to his method used in A Theory of Justice. However, in the case of determining the law of peoples, each society's interests and conception of justice is secured by a

---

10Rawls makes a distinction between the law of peoples and international law. The former is made up of political concepts which include principles of right, justice and the common good. The law of peoples provides the concepts and principles by which international law can be judged (Rawls 1993, pp. 50 f.).

11That is, the law of peoples.
representative of that society. Each representative is subject to the veil of ignorance and the parties then deliberate among available principles regarding the law of peoples. Being behind the veil of ignorance they do not know such things as the size of their territory, their population or the relative strength of the people whose fundamental interests they represent (Rawls 1993, pp. 54 & 64).

Using this method, Rawls maintains that a set of familiar principles would be agreed upon. These principles include independence of peoples, peoples' right to self-defense, duties to observe treaties and undertakings and the duty to observe human rights (Rawls 1993, p. 55). According to Rawls, human rights include "the right to life and security, to personal property, and the elements of the rule of law, as well as the right to a certain liberty of conscience and freedom of association, and the right to emigration" (Rawls 1993, p. 68).

Rawls argues that the principles of well-ordered liberal societies can be extended to well-ordered hierarchical societies. Rawls set out to show that "in the original position the representatives of well-ordered hierarchical societies would adopt the same law of peoples that the representatives of liberal societies

---

12 Rawls regards his method of considering representatives of societies as the original choosers, rather than representatives of all individual persons of the world, as broader. According to Rawls, the alternative method would not take proper account of people's societal and cultural values and runs the risk of being too liberal (Rawls 1993, pp. 65 f.).

13 In initially determining these international principles of justice, Rawls includes only the representatives of liberal societies behind the veil of ignorance. He then argues that the principles generated would be considered as reasonable principles by representatives of well-ordered hierarchical societies.
do" (Rawls 1993, p. 60). Rawls does this in part by setting out three requirements for a society to be well-ordered. First, in order to be well-ordered a society "must be peaceful and gain its legitimate aims through diplomacy and trade, and other ways of peace" (Rawls 1993, p. 61). Given this as a requirement, representatives of a well-ordered hierarchical society, who are behind the veil of ignorance, arguably would accept the same principles of nonexpansionism and peaceful conduct to which representatives from well-ordered liberal societies would agree. Second, the system of law of a well-ordered society must be guided by a common-good conception of justice. According to Rawls, this secures for each member of society certain minimal rights. These rights include the "means of subsistence and security (the right to life), to liberty (freedom from slavery, serfdom, and forced occupations) and (personal) property as well as to formal equality...(for example, that similar cases be treated similarly)" (Rawls 1993, p. 62). The third requirement on a well-ordered society is that such a society respects basic human rights.

Nonideal Theory

Rawls' theory deals not only with well-ordered societies, both liberal and hierarchical, but with societies which lack the requirements to be well-ordered. This includes both those societies which refuse to acknowledge a reasonable law of the peoples and those societies which, because of their circumstances, find it difficult or impossible to become a well-ordered regime.
Those regimes which refuse to acknowledge the reasonable law of peoples are what Rawls refers to as outlaw regimes. Outlaw regimes, according to Rawls, come in many forms. Some outlaw regimes "are headed by governments that seem to recognise no conception of right and justice at all; often their legal order is at bottom a system of coercion and terror" (Rawls 1993, p. 72). While Rawls acknowledges that, at best, law-abiding societies can reach a modus vivendi with outlaw regimes, they still have "a duty to the well-being of peoples subjected to outlaw regimes, though not to their rulers and elites" (Rawls 1993, p. 73, emphasis original).

Rawls further addresses those societies that "lack the political and cultural traditions, the human capital and know-how, and the resources, material and technological, that make well-ordered societies possible" (Rawls 1993, p. 74). In such cases, Rawls maintains, each society that is so burdened should be assisted in reaching conditions which make becoming a well-ordered society possible. Rawls advocates the security of human rights everywhere and that well-ordered societies have a duty to ensure that basic human needs are met everywhere. Such principles, according to Rawls, are not tied to a liberal conception of justice since they are principles of the law of peoples, which include well-ordered nonliberal societies. Rawls rejects the idea of applying the difference principle in such cases because he claims that it is liberal principle of justice, which some well-ordered nonliberal societies may reject.
(iii) Disadvantages of Rawls' Theory of International Justice

Rawls' theory of international justice is not without its problems. According to Stanley Hoffmann, Rawls makes an unwarranted assumption in setting up the conditions under which the principles of justice are determined. In not asking the delegates of democratic peoples, who are to determine the international principles of justice, to ignore their political cultures, Rawls assumes that the diversity of political cultures, and the holds such cultures have on people's minds, are irremediable (Hoffmann 1992, p. 52).

Rawls can be further criticised for developing principles of justice which pertain only to states and not to other of the world's agents and individuals. As Hoffmann points out, international society is made up of "both a society of separate states (or peoples) and a society of individuals, who play an important role in world affairs" (Hoffmann 1992, p. 55). Rawls' "legalist" model does not properly take into account the ways in which individuals and agencies like international corporations can move across borders and disrupt states. Individuals and other non-state agencies can act across borders in ways which affect the economies of other states by such means as investment (Hoffmann 1992, p. 53). Other contractarians, such as Brian Barry, develop a theory of international justice by considering international society as being a society of individuals. (Rawls, himself, criticises this approach because it is too liberal and so doesn't take proper account of nonliberal conceptions of justice (Rawls 1993, p. 66).) So, while
Rawls attempts to be sensitive to nonliberal political values, he neglects the role of individuals in international society.

Another problem with Rawls' law of peoples is that it is not clear what would define a legitimate political unit. Rawls refers to peoples as "corporate bodies organised by their government [which] now exist in some form all over the world" (Rawls 1993, p. 50). This does not make it clear what a people's relation is to a state. As Hoffmann maintains, if we are to understand peoples as states "we need to know what groups of persons are entitled to establish one, and who is entitled to become a citizen" (Hoffmann 1992, p. 53). If peoples can be understood as states, further issues would also need to be addressed, such as the treatment of minorities.

Another important issue on which Rawls' theory is fairly silent is conflict resolution when states are promoting their interests across borders. Rawls says too little about principles for forming and regulating possible associations of democratic societies and about standards for fair trade. Some recent difficult cases of states having conflicting interests include Japanese-American trade relations and Spanish and Canadian fishing practices (Hoffmann 1992, p. 53). Moreover, even if Rawls did include a fuller account of such principles, it would be difficult on Rawls' view to justify a world government powerful enough to enforce them.\footnote{In following Kant, Rawls maintains that a world government with legal powers exercisable by some central government "would be either a global despotism or else a fragile empire torn by frequent civil strife as various regions and peoples try to gain political autonomy" (Rawls 1993, p. 55).}

It is arguable that, even if Rawls' law of peoples was put into practice, there would still remain a highly unequal world of rich
and poor states. While Rawls maintains that the delegates would agree to mutual assistance between people in times of famine and drought, this falls a long way short of his principles of distributive justice for liberal domestic society, which he earlier developed in *A Theory of Justice* (Hoffmann 1992, p. 53).

Further problems arise in relation to the issue of determining principles to which representatives of "well-ordered hierarchical societies" would agree. First, given that such societies don't have free elections, it would be difficult to establish whether their governments and systems of law would be seen as legitimate in the eyes of their peoples. Second, it is difficult to give any clear answer to whether societies whose principles are built on ideological or religious doctrines are likely to respect human rights (Hoffmann 1992, p. 55).

Finally, there is a problem with the ways in which Rawls' theory of international justice is developed at the level of *ideal theory*. This is problematic, in dealing with a theory of international justice, because "in thinking about international affairs the best we can come up with, in 'ideal theory', is very thin. It may produce the utopia of world government, or else take the form of Rawls's meagre law of peoples, which does not add much to old liberal notions of world harmony" (Hoffmann 1992, p. 55). As Hoffmann points out, Rawls has too little to say about non-ideal theory, which covers conditions of great injustice and social evil—conditions which are central to so many of the ethical issues that surround international justice. Rawls leaves us with only some vague objective: to "seek effective ways permitted by the law of
peoples to move the society [that is, those societies that are not well-ordered] some distance toward the goal [of being a law-abiding society]" (Rawls 1993, p. 72).

**Utilitarianism**

(i) Distinguishing Features

The utilitarian tradition is a thoroughly consequence-oriented theory. While some utilitarians advocate rule utilitarianism, any justification for rules is dependent on the likely consequences of implementing those rules. There are two central features of utilitarianism. First, the only thing that is intrinsically good is utility or well-being. Second, the only morally relevant factor in determining whether an action is right or wrong is its overall consequences, viewed impersonally. These two central features of utilitarianism amount to the claim that an agent ought to perform an action if and only if that action maximises utility.

The foundations of utilitarianism are normally attributed to Jeremy Bentham. Bentham, however, was influenced by several of his predecessors, especially David Hume. Hume, who was not, strictly speaking, a utilitarian, set out to describe how our moral reactions have come about. For Hume, the feeling of moral approval is aroused by the disposition in people to promote the public good. He argues that such a disposition is approved of because it is

---

15 Utilitarians differ in how they identify utility or well-being. For example, some identify it with pleasure, some with happiness (often construed as pleasure), some with the satisfaction of desires.
socially useful, that is, it has utility. Hume, however, does not use 'utility' in any strict utilitarian sense and does not claim that utility ought to be maximised.

According to Bentham, all action is motivated by self-interest. In particular, one could act only to promote one’s own happiness, which, for Bentham, is indistinguishable from pleasure. On the other hand, for Bentham, our moral duty is to promote general happiness, and this gives rise to a tension between our duty and our motive. For Bentham, this tension is resolvable. According to Anthony Ellis, there are factors which can make it in our interest to pursue general happiness, and "[t]he most interesting to Bentham were those that are provided by the government through the law: the various sorts of punishment and penalty (various sorts of pain) that the law exacts for actions that damage the general happiness" (Ellis 1992, p. 160).

While utilitarians differ on what it is exactly that ought to be maximised, once they have agreed to the principle "that our duty is to secure the general happiness, then the rest of morality, political as well as individual, would reduce to a matter of empirical calculation" (Ellis 1992, p. 163). Calculations may then still be quite complex. Bentham, for example, proposed his 'felicific calculus' which was comprised of seven dimensions by which pleasure and pain are to be measured. These dimensions included intensity and duration; and so, for example, a brief, intense pain can be traded off for a mild but enduring pain.
While Bentham identified utility (or happiness)—which was the only thing that was intrinsically desirable—with sensational pleasure, John Stuart Mill thought that some pleasures were more desirable than others. Mill maintains that "[i]t is quite compatible with the principle of utility to recognize the fact, that some kinds of pleasure are more desirable and more valuable than others." (Mill 1991, p. 138, emphasis original). For Mill, those pleasures that come about by exercising the higher faculties are of higher quality than those pleasures that are merely pleasures of sensation.

An issue which has generated significant controversy is the role of justice within utilitarianism. Important issues on the role of justice include problems surrounding the distribution of utility. Firstly, if (given a stable population,) utility could be maximised by two different distributions, one where the utility was concentrated in a few, and the other where it was distributed equally but more thinly, which distribution is preferable? While some utilitarians maintain that neither distribution is preferable, others opt for a principle of equality, though it is difficult to see how that can be required under utilitarianism. A further issue that arises is whether or not utility is to be distributed according to some other criteria such as desert, need or merit. Some utilitarians, such as Mill and Hare, have argued that distribution in accordance with principles of justice does indeed maximise utility.¹⁶

¹⁶Justice plays an important role in Mill's theory of utilitarianism. Mill maintains that "[j]ustice is a name for certain classes of moral rules, which concern the essentials of human well-being more nearly, and are therefore of more absolute obligation, than any other rules for the guidance of life" (Mill 1991, p. 195). In Hare's case, principles of justice are important in maximising utility. I discuss Hare's moderate egalitarianism in Ch. 4.
Henry Sidgwick, an important figure in the development of utilitarianism, raised another issue for the theory that has been much discussed; namely, whether or not we should maximise total utility or average utility. This issue has often been related to problems with population policy. Is it preferable to have a small population where the happiness for most people is very high, or to have a very large population where the happiness for most people is quite low? In the first case, the average utility is likely to be very high but total utility relatively low whereas, in the second case, the average utility is likely to be quite low but the total utility relatively high (Ellis 1992, p. 168). A related question which could also arise concerns the control of death rates. If one aimed to maximise average utility, and those members of society who were less happy than average could be eliminated without decreasing the happiness of others, then it seems those members ought to be eliminated. On the other hand, if you aimed at maximising total happiness, which Sidgwick thought you ought to aim at, then you ought to increase population to the point where to increase it any further would decrease overall utility. In the latter case, this could very well mean that the average utility is relatively low.

There have been various versions of utilitarianism, including rule utilitarianism. Rule utilitarianism contrasts with act utilitarianism. Act utilitarianism holds that "the right act is always that which maximizes utility" (Ellis 1992, p. 170). Rule utilitarianism holds that "[t]he correct rules are those the general observance of which maximises utility, and the correct action is always that which is in accord with such a rule even if, in a
particular circumstance, it fails to maximise utility" (Ellis 1992, p. 170). Richard Hare, whom I will be discussing in more detail in Chapters 3 and 4, is a preference utilitarian. Hare maintains that it is desires that ought be ranked preferentially, both intra-personally and inter-personally, and that one ought to aim at maximally satisfying desires generally. Hare tries to combine the virtues of both act utilitarianism and rule utilitarianism. He maintains that "we would be wise to be guided, not by a felicific calculation on each occasion, but by a set of well chosen prima facie principles, if we want to achieve those acts which even act-utilitarianism...would in full knowledge pronounce to be right" (Hare 1981, p. 192). Hare thinks that deliberating about each individual act would tend not to maximise utility; rather, we should follow those rules that have been tried and tested. He also maintains that we should develop our sentiments to make it difficult for us to act against those rules except in exceptional circumstances.

(ii) Advantages of Utilitarianism

One promising feature of applying utilitarianism to international affairs is that it is not tied to a narrow account of agency and so it does not presuppose that agents have idealized capacities to reason (O'Neill 1986, pp. 35 & 53). Being a consequence-oriented theory, actions and policies, quite generally, are open for assessment based on the actual or likely results of those actions or policies.

Utilitarian reasoning also has the advantage, in its application to international affairs, of being accessible in a certain way.
Consequential reasoning is entrenched in the decision-making procedures of individuals and agencies at various levels (O'Neill 1986, p. 53). It is quite standard for individuals, institutions and agencies to decide on some course of action over the available courses of action in terms of which is likely to produce the best results. Policies of individuals and social agencies are often determined by some cost-benefit deliberation.

Utilitarianism is deeply cosmopolitan and can allow for communitarian sensitivity. It is cosmopolitan in that one's moral obligation includes a duty to mankind in general. It allows for duties one may have to their nation, family or friends, but only insofar as such a duty is conducive to maximising overall utility. Utilitarianism allows for communitarian sensitivity insofar as it recognises that, because of human social and communal nature, the cultivation of communities and their particular values is often conducive to promoting the interests of the members of those communities.

Utilitarianism can be deployed to justify political systems—for example, the existence of political entities like states. From a utilitarian point of view, however, political systems are merely instrumental to maximising the general good; so, the justification of states, or of any political institution or set of arrangements, depends on how well these promote the general good. While there have been some who have argued that utility would be maximised by some other system such as a world government, it seems that most utilitarians argue that utility is maximised by the existence of nation-states (Ellis 1992, p. 173). Moreover, utilitarianism can, in
principle, tell us not only whether certain political institutions should exist; it can also tell us what aims and functions these institutions and entities ought to have. On the theory, the function of states and other institutions is to maximise utility. While, in the case of states, this perhaps would best come about normally by states maximising the utility of their own members, in some cases, when states have conflicting interests, the principle of utility would instruct states to maximise global utility.

(iii) Disadvantages of Utilitarianism

One problem with applying utilitarianism to practical, international issues is the difficulty in reaching some conclusive decision on what ought to be done. One reason for this difficulty is that, when engaging in the empirical calculations of expected consequences, it can turn out that the consequences are so far reaching that it is practically impossible to reckon what they are with any certainty. Another reason why applying utilitarian reasoning to practical, international issues can be inconclusive is that, because of our cognitive limitations, it is difficult to consider every possible course of action. Consider the way in which utilitarians differ on what ought to be done in relation to the practical issue of famine relief. Garrett Hardin and Peter Singer, both of whom argue from utilitarian premisses, defend diametrically opposed conclusions on what we ought to do in relation to global famine and starvation. Peter Singer argues that we (that is, the moderately well-off people in wealthy countries such as Australia) ought to give up our material resources to relieve the suffering associated with famine "until we reach the level of
marginal utility—that is, the level at which, by giving more, I would cause as much suffering to myself or my dependents as I would relieve by my gift" (Singer 1979, p. 32). Garrett Hardin, on the other hand, argues that we ought not to give aid to famine victims because giving aid would allow the poorer nations to increase in population at a rate greater than they would otherwise, which in the end would result in more people suffering from famine (Hardin 1977, p. 279 ff.). On the one hand, it could be argued that Singer does not consider the far reaching consequences of famine relief; alternatively, it could be argued that Hardin does not consider the consequences of all the possible courses of action, such as aid in the form of population control.

A related problem with applying utilitarianism to issues of international relations is that there are often considerable inaccuracies in determining which acts or policies would maximise utility. One reason for this is that there can be difficulties in identifying, without bias, those acts which would maximise utility. For example, while the meeting of basic needs is typically taken into consideration when deliberating about the preferences of others, some preferences, which are tied to other peoples' cultures, are often overlooked—preferences concerning such matters as land, caste, tribe, tradition and religious affiliation.  

Finally, Onora O'Neill criticises utilitarian reasoning because it cannot be both critical of established ethical outlooks and accessible

---

17 O'Neill raises this objection in O'Neill 1986, p. 67. See my Ch. 5 , the section, "O'Neill on the Virtues and Vices of Consequentialism", subsection (ii), 'Vices of Consequentialism', part (a), 'Calculating benefits and O'Neill's third standard'.

to the relevant agents and agencies. In brief, utilitarian reasoning aspires to accurate, perspectiveless, empirical deliberation. In the case of global issues, such deliberation, even if possible, would be accessible only to certain experts, and so would not be accessible to many of those whose action is needed (O'Neill 1986, p. 84 ff.).

Conclusion

So far I have characterised some of the main ethical theories that apply to international relations and I have given what I take to be their chief, generic advantages and disadvantages. In the chapters that follow I consider Susan George's proposal to solve the Third World crisis, especially in relation to extensive distributive inequalities, in the light of two ethical theories that clearly apply to issues of international distributive justice. One theory is Hare's preference utilitarianism and the other is O'Neill's Kantian-inspired theory. I have chosen to assess George's proposal in terms of these two theories for the following reasons. First, each theory represents a relevant contribution to the solution of problems of international justice that arise in relation to Third World poverty and debt. Second, each theory represents such a contribution to issues of justice for the Third World from within a different and important ethical tradition. Among the ethical theories that apply to

---

18See my Ch. 5, the section, 'O'Neill on the Virtues and Vices of Consequentialism', subsection (ii), 'Vices of Consequentialism', part (b), 'Reckoning the consequences and O'Neill's second standard'.
international relations that I have reviewed above, utilitarianism and Kantianism are significant contenders.\textsuperscript{19}

\textsuperscript{19}Of course, as I comment in Ch. 3, Hare sees himself as reconciling central aspects of Kantianism and preference utilitarianism. However, the reconciliation is controversial (See Ch. 3, fn. 5).
CHAPTER 2

SUSAN GEORGE'S ANALYSIS OF THE THIRD WORLD DEBT CRISIS AND HER PROPOSED SOLUTION

Before proceeding to assess Susan George's proposed solution to the Third World debt crisis in the light of Hare's and O'Neill's ethical theories, I need to outline the salient details of George's analysis of the debt crisis and her proposed solution. I appeal to Susan George's analysis and proposed solution as she is well-known and highly regarded for her independent contribution to discussion of the Third World debt crisis. In this chapter, I set out George's account of (i) why Third World debt is such a problem and (ii) some of the central, contributing causes of Third World debt. I then outline George's own proposed 3-D solution to the debt crisis and contrast it with the IMF solution. In subsequent chapters, I consider how just a solution to the problem of Third World debt George's 3-D solution is.

1 While Susan George's book A Fate Worse Than Debt was first published in 1988 and reprinted with revisions in 1989, in the foreword to the 1994 printing, George maintains that "Third World debt is, so to speak, flourishing and that this book is more relevant than ever" (George 1994, p. ix).

2 Barry Wilkins is among those who hold George's independent analysis of Third World debt in high regard. Wilkins refers to George's analysis as powerful and incisive (Wilkins 1992, p. 182).

3 George calls her solution the 3-D solution because she proposes to use the debt crisis as a means of promoting democracy and sustainable development.

4 Before proceeding it is important to make some general remarks on the vocabulary used. Throughout the literature to which I refer, a distinction is often drawn between the South and the North. This is simply because the wealthier, developed countries (members of the so called First World) tend to be in the northern hemisphere whereas the poorer, developing countries (members of the so called Third World) tend to be in the equatorial regions and in the southern hemisphere. There are, however, some exceptions to this...
Why Third Word Debt is Such a Problem

In this section, I detail Susan George's account of Third World debt. In particular, I focus on what George claims to be the problem with Third World debt. I indicate her views on how this debt affects ordinary people in First World and Third World countries.

(i) Debt serviceability

According to Susan George, Third World debt topped the trillion-dollar mark in 1986 (George 1989, p. 12).

George points out that debt is not necessarily a bad thing. Many people profit from borrowing money. Companies borrow and...
at times are perceived as functioning well when they are deep in debt, since this indicates that they are credit-worthy. Governments borrow from their citizens in terms of government securities, from banks and from international institutions. The United States (US) in 1986 had a public debt of $US 2 trillion, which was twice that of the Third World.5

The problem is not simply that countries are in debt, nor is it necessarily the size of the debt. Debts become critical when they can no longer be serviced. When the cost of servicing debts or paying back the interest becomes so high that new loans are needed, the problem becomes critical.

In order to service debts, debtor countries need money. This money can be obtained either by a trade surplus or by borrowing more money. If there is not a surplus of trade there is a need to borrow. If such a process continues then the debt grows to a point where even paying back the interest becomes unmanageable and the country falls into a spiral where the debt continually increases with no end in sight.

As George points out, in the case of the Third World, debt is at the point where servicing under present terms involves massive sacrifice for most of those in the Third World. For some countries, full servicing seems impossible. The money borrowed has often been unproductively used, and further money is being borrowed to

---

5 Following George I use the US convention for 1 trillion, which is 1 million x 1 million. Furthermore, all monetary figures I quote will be in $US, for which I will simply use '$'.
service the debt. This drives the debtors further into debt and is again unproductive.\(^6\)

**(ii) Poverty and inequalities**

When a country's debt comes to an alarming level and problems in serving the debt become apparent, both external and internal pressures are applied to the people of the debtor country in order to service the debt. Taxes are often increased, wages decreased, and basic food items are increased in price. Due to a reduction in government spending, people often lose their jobs. This pressure is not felt uniformly across the population. According to George, it is typically the poorest who are hardest hit. By the 1980s organisations such as the World Food Assembly (WFA) maintained that debt "was becoming the great, unsung cause of increased hunger and lack of food security" (George 1989, p. 1).

George gives detailed accounts of the poverty and suffering which have arisen from Third World debt. She describes the conditions under which a large portion of the population in Third World countries lives. Basic needs such as food, education and medicines have become increasingly unaffordable to the poorest in the Third World. While debt has meant hardships and suffering to the poor in Third World countries, there are power elites in the First World and Third World who profit handsomely from Third World debt.

---

\(^6\)This further borrowing is unproductive insofar as the newly incurred debt is not conducive to development.
The burden of Third World debt is carried not only by people in the Third World debtor nations. Many people in the First World creditor nations are also bearing the burden.

(iii) The Debt Boomerang

According to George, the majority of citizens from First World countries are also bearing the debt burden in what she describes as the six boomerangs: environmental destruction, drugs, cost to taxpayers, unemployment and lost markets, immigration pressures, and heightened conflict and war. George uses the term boomerang to describe how the Third World debt "strikes the North as it flies back from the South" (George 1992, p. xiii).

First, debt-induced poverty causes those in the Third World to exploit natural resources in the most immediately profitable way. This is typically the least sustainable use of natural resources. Among the consequences are an increase in global warming and a depletion of genetic bio-diversity (George 1992, pp. 1 ff.).

Second, illegal drugs such as cocaine are the major earners for heavily indebted Latin-American countries such as Peru, Bolivia and Columbia. According to George, these countries can earn more export dollars from producing and processing coca than they can from legal crops. The social and economic cost of drug consumption in the creditor countries is extreme. According to George, it costs the US $60 billion per year (George 1992, pp. 34 ff.).

Third, governments in the First World, such as the US and the United Kingdom (UK), have used their tax payers' money to give
banks tax concessions so that they can write off so-called 'bad debts' from Third World countries (George 1992, pp. 63 ff.). But in most cases this has not reduced the actual debts of the Third World debtor countries. George claims that by 1991 the larger banks in the UK had gained tax credits for half their exposure (George 1992, p. 79).

Fourth, due to the indebtedness of the Third World, imports of First World goods have become unaffordable. Consequently, the countries of the First World have lost markets, which has resulted in the loss of jobs in the First World. In 1990, at a sub-committee of the US Senate Finance Committee, Stuart Tucker estimated that the loss of jobs due to these lost exports accounted for one fifth of the total US unemployment (George 1992, p. 101). The Third World countries have also increased production of selective crops (cash crops) which were traditionally produced in the First World. This has resulted in further job losses in the First World.

Fifth, the number of immigrants and refugees from Third World countries has been increasing. People are fleeing the poverty and hardships (brought about, at least in part, by economic policies imposed by the IMF) of their Third World countries in hope for a better future in the First World. According to the International Labour Organisation (ILO) there were more that 100 million legal or illegal immigrants or refugees in the world in 1991 (George 1992, pp. 112 & 186).

The final boomerang that George discusses is the threat of war that results from the debt crisis (George 1992, pp. 136 ff.).
According to George, Iraq invaded Kuwait in 1990 largely in retaliation of Kuwait's insistence that Iraq repay a $12 billion loan (George 1992, pp. 154 ff.). Third World countries typically spend heavily on militarization. While lacking in economic bargaining power, they can often appeal to their military power.

(iv) Debtor nations have little bargaining power and are open to exploitation

George points out that if the debtor nations are to service their loans, they need to obtain money by exporting more than they import (George 1989, pp. 58 ff.). Debtor nations are being prevented from exporting because of the tariffs in the First World. The tariffs make the price of the goods produced in the Third World too expensive to compete with the domestically produced goods. The Third World countries are also not getting a fair price for their goods. As a result, they are not exporting more than they import. To service their loans they then need to borrow further. Some effects of this are that the debtor countries go further into debt, there is a reduction in overall international trade, the debtors are unable to purchase the equipment they need to boost production, and they are unable to afford such essentials as medicine and foodstuffs (George 1989, p. 59).

Because of the disadvantaged economic position of the debtor nations, they are susceptible to coercion. For instance, due to the success of the Brazilian computer industry, IBM computers were

---

7 George uses the US convention for 1 billion, which is 1 thousand x 1 million.  
8 I use the term 'coercion' here in a fairly broad sense. I discuss different notions of coercion in detail in Ch. 6.
losing their export profits from Brazil. In May 1986, the US sent their Under-Secretary of State to warn Brazil that they could lose their steel, shoes, and orange juice markets to the US if they didn't allow IBM to supply the computers (George 1989, p. 72).

In summary, the problem with Third World debt is that the debt is so large that servicing it has become impossible. The debt results in poverty and hunger for a large portion of the people in the Third World; but the debt also affects detrimentally many in the First World. Because of their desperate circumstances, many of the people in the Third World are open to exploitation, especially the poorest of the poor.

**The Causes of Third World Debt**

George outlines a number of central, contributing causes of Third World debt. One of these causes is what is known as the development model, which she sometimes dubs 'the mal-development model'.

(i) *The development model*

The development model embraces the policy that it is in each country's interest to participate as much as possible in world trade. The IMF was set up at the end of the Second World War to implement such a policy as best it could. This policy was adopted by both the First World and the Third World. It was an outer-directed, export-oriented policy. It favoured economic growth, industrialisation and modernisation.
George describes this model as imitative. The Third World wanted to become like the rich First World. However, George maintains that such a model did not take into account some important features of the local cultures in the Third World. Typically, the Third World was predominantly dependent on small-scale peasant agriculture (George 1989, pp. 14 f.). The history and social foundations of the First World were very different from the history and social foundations of the Third World.

Part of the development model also involved modernisation, which included consumerism. An example of relentless consumerism, which was part of the image of modernisation, is the buying spree that was rampant in Chile from 1979 to 1982, where people could exchange Chilean pesos, which were unrealistically overvalued, for American dollars. As a result of this, middle-class Chileans were purchasing imported rather than nationally made goods. This resulted in Chilean firms not being able to sell their goods and consequently they went out of business. Trade deficit and unemployment soared. In 1988 Chile had a debt of $19 billion ($1540 per head), $11 billion of which was owed to banks due to such spending sprees (George 1989, pp. 15 f.).

The development model that proved expensive to Chile was typical of the development model that was applied to Third World countries. This development model, and the borrowing that accompanied it, gave some of the power elites the opportunity to gain at others' expense by way of capital flight and corruption.
(ii) Capital flight and corruption

According to George, corrupt government officials who took out loans in the name of their country often reinvested large portions of this money in First World commercial banks, in their own private accounts. The debtor country was still left with the debt to pay, with no investment or little investment in the debtor country. National companies were also known to partake in similar practices. Companies have been known to borrow money from abroad, have their government guarantee their debt on the pretence that they will invest at home, and then, rather than invest at home, reinvest abroad (George 1989, pp. 19 ff.). In 1986, Morgan Guaranty estimated that seventy per cent of the new loans from 1983 to 1985 to the big ten Latin American debtors resulted in capital flight. In that period, it is estimated that Mexico had an estimated $16 billion worth of capital flight with new net borrowings of only $9 billion.10

Much of Third World debt can be accounted for by what George describes as outright theft. For example, there were a number of loans made to Nicaragua under Somoza for the reconstruction of Managua after an earthquake in 1972. Most of this money was pocketed by Somoza (George 1989, p. 18). Another example of such corruption that George mentions is the Philippines'...
Morong (Bataan) nuclear power plant which was ordered in 1976 from Westinghouse for a price of $2.1 billion. This purchase was made against a quote by General Electric for half this amount. Westinghouse acknowledges paying a 'commission' to Marcos which is believed to have been $80 million. Because the plant was found to be located in a zone of high seismic activity, it was never operational (George 1989, pp. 18 f.).

(iii) Militarisation

George cites the purchasing of arms as another form of non-productive spending that has helped to boost Third World debt. She estimates that by 1987, 20 per cent of Third World debt could have been attributed to the purchasing of arms. The IMF, as part of its adjustment programs, insists that debtors make drastic reductions in civil spending. By contrast, it doesn't insist on the reduction of arms spending, giving as its reason that that would be "interfering in the internal affairs of sovereign nations" (George 1989, p. 22). As George points out "an obvious but often conveniently forgotten point is that arms purchases are never productive. They produce no wealth and, when not manufactured locally, they don't even create jobs or inject money into the local economy" (George 1989, p. 18 f.).

---

11 It is also claimed that by 1988 up to $40 billion of Brazil's debt was due to non-operational nuclear reactors (George 1989, pp. 18 f.). The pursuit of prestige has also contributed to corruption. For example, not only did General Mobutu of Zaire transfer his squandered money overseas, but he also built Presidential mansions in each of the country's eight provinces. He was said to own over fifty Mercedes and jet planes which were, in part, paid for by national borrowings (George 1989, pp. 106 ff.).

12 Areas typically targeted are welfare, education, health, housing, public transport—essential services for reasonable living standards.

13 It is quite ironic that they give this as a reason since the IMF adjustment programs typically interfere with other internal affairs of sovereign states.
24). Armies are unproductive and expensive to keep, both in times of peace and in war.¹⁴

(iv) The money mongers

George describes much of the Third World debt as due to recklessness on the part of the bankers and borrowers. The borrowers often took out loans for non-productive projects and for militarisation. The bankers, those who arranged the loans, often saw the nature of their work as only to ensure that these loans were made. When giving these loans, considerations of how productive the projects might be were typically not their concern. They often realised that if they didn't lend the money, others would. At times they even realised that the project was not productive for the country of the borrower, and further, they had good reason to believe that it would be squandered by those in power and that there was a high risk that the debtor could not repay the loan (George 1989, pp. 30 ff.).

According to George, the lenders, the international bankers, typically took no interest in the local people to whose country they were peddling money. Unlike domestic banking, where lenders make sure a company has enough assets to cover its debt, creditworthiness was typically not taken into consideration in international banking. The bankers would ensure that the loans were guaranteed by a central bank or from the government (George 1989, p. 31). This was the common practice of bankers at least until

¹⁴It can be conceded that the military may provide emergency assistance during natural disaster or ward off pirates stealing what has already been produced. (Gun boats were recently purchased by the Philippines from Australia for protecting their fisheries.)
the early eighties. It was believed that countries could not go bankrupt.

The banks had lent money frivolously. This not only left the Third World in debt but it also generated fear in the First World that the banks would become insolvent. The US Treasury stepped in and sheltered the banks from their ill-advised lending decisions at the tax-payers' expense. As a result, the big nine banks of the US profited handsomely in this time from 1982 to 1986 because their dividends increased and there was a rise in share values (George 1989, p. 39).

In many cases, according to George, "banks were simply financing US and European corporations that wanted to sell their products in the Third World. Banks thus had no reason to care about what was happening inside the borrowing country: they were financing not the Philippines and Brazil but Boeing and Westinghouse, usually in partnership with the Export-Import Bank (and other national equivalents)" (George 1989, p. 45). Those left with the debt burden were the citizens of the debtor countries.\footnote{George notes two other contributive causes of Third World debt. First, in the 1980s, interest rates didn't fall as much as inflation rates. Previous to this time, particularly in the mid to late 1970s, inflation was greater than interest rates. The net effect of this was that people were being paid to borrow. It was cheaper for countries to borrow than to dip into their reserves. "New loans were sought to pay off old ones. Indebtedness snowballed" (George 1989, p. 28).

Another detrimental feature for the Third World, especially for non-oil exporting countries, was the rise in oil prices. There were sharp rises in 1973-74 and again in 1979-80. In the 1974-82 period, these countries imported nearly $345 billion. Had oil prices increased at the same rate as other commodities, the Third World would have paid only $85 billion (George 1989, p. 28). Even oil-exporting countries such as Mexico weren't prevented from falling deep into debt. "PEMEX, the Mexican state oil corporation, borrowed $20 billion all by itself—a quarter of the total Mexican debt in 1982" (George 1989, p. 29).}
The IMF Solution to Third World Debt

George focuses on the IMF because it is an agency which has played a large role in 'solving' the debt crisis. George maintains that its 'solutions' have not helped the debtors economically and have had disastrous social consequences.\(^{16}\)

In the 1970s, the IMF played a relatively small role. "In those days nobody wanted the IMF around—the lenders because they were self-congratulatory about their efficient recycling of petrodollars, the borrowers because they had no desire to submit to the Fund's stringent conditions....Between 1974 and 1979 the IMF supplied less than 5 per cent of the financing needs of the developing countries" (George 1989, p. 48). In the early eighties, in the wake of global recession, the lending banks realised that they could have serious repayment problems with their Third World loans.\(^{17}\)

The banks could then see that it was to their advantage to have an international agency such as the IMF which had "both the

\(^{16}\)George also finds the Baker plan, proposed by James Baker in 1985, unsatisfactory as it is not significantly different from the development model and the austere strategies of the IMF (George 1989, pp. 190 f.). George finds Bradley's proposal, put forward by Senator Bill Bradley, more satisfactory than Baker's and that of the IMF, as it is more sensitive to those in the Third World who are bearing the burden of the debt (George 1989, p. 193 f.). George also discusses a number of proposals and strategies that have been implemented from within the South. While some, such as the initiatives of the Cartagena Group, the Peruvian president Perez, and the People's Economic Organizations, work independently towards greater equality and the meeting of people's basic needs, there is, according to George, a need for such groups to unite in their efforts. These are not criticized by George for their motives but, rather, for their incompleteness. These initiatives are not effective when operating in isolation. This is why George emphasises the need to act in concert (George 1989, pp. 213 ff.).

\(^{17}\)This problem was worsened by the increase in the rise in real interest rates.
clout to force repayment and the capacity to mobilize enough financial resources to make repayment possible" (George 1989, p. 49). The banks also saw it to their advantage to have someone else lend their money. The IMF is said to be funded by member-states' quotas and other contributions. This money which funds the IMF comes from the states, a practice which "enforces taxation without representation on the citizens of the industrialized countries" (George 1989, p. 49).

The IMF was created at the end of the Second World War when the US was in need of an institution that would help re-establish and promote trade. The IMF had as its objective to promote the growth of world trade (George 1989, p. 50). If countries were importing more than they were exporting, the IMF, through adjustment programs, would force them "to increase that participation, even if this is demonstrably against the best interests of the people concerned" (George 1989, p. 50).

George describes the IMF as powerful and influential. If the IMF does not approve loans to a country then other sources see that country as a considerable credit risk. Debtor countries are reluctant to resist the IMF's proposals because there is little hope of obtaining loans from other sources without the 'IMF's stamp of approval' (George 1989, p. 51).

---

18 The IMF has the clout that (say) banks or creditor governments don't have because countries in need of borrowing, especially Third World countries, depend on IMF approval to borrow from other financial institutions. If a country is considered a 'bad debtor' by the IMF, then other financial institutions will see that country as too high a risk to lend money to.

19 The IMF was set up to assist and promote world trade. A number of governments contributed to the IMF resources which were then meant for borrowing in times of need.
The way the IMF programs are set up is based upon the idea of reducing domestic consumption and increasing exports. George notes that what these programs usually amount to is: "...devaluation of the currency (to discourage imports and encourage exports); drastic reduction of government expenditure, particularly social spending and elimination of food and other consumption subsidies; privation of government enterprises and/or increase in prices charged by them (electricity, water, transportation, etc.) and the abolition of price controls; 'demand management' (meaning reduction of consumption) through caps on wages, along with restrictions of credit, and higher taxes and interest rates in an effort to reduce inflation" (George 1989, p. 52).

Two main problems George finds with this are: first, the elites, often the military, typically benefit from such measures while most of the people are worse off, especially the poorest; second, those who suffer from these measures are not the ones who brought about or gained from the irresponsible debts in the first place—who were again the elites (George 1989, p. 52).

The IMF has often denied responsibility for the social consequences of its policies. George cites Jacques de Larosiere, one of the IMF's former managing directors. In his defence of the IMF, de Larosiere claimed that the IMF is not responsible for the way in which the required effort to repay debts is distributed among the various social groups and the various expenditure categories. Distribution of burden in any particular country is something that is decided by government of that country. De Larosiere commented that "the fund cannot take upon itself the role of dictating social and
political objectives to sovereign governments" (George 1989, p. 53). George, on the other hand, believes that the IMF could make "greater social equality, access to education, health care and other basic services, fairer income distribution, etc." part of its programs (George 1989, p. 53). George further claims that those countries which have insisted on maintaining social objectives have had the greatest difficulties with the IMF. According to George, there is no evidence that the IMF wants to apply any of the just mentioned social and economic policies.

The IMF is claimed to be a non-political institution. Voting power, however, is proportional to the member-country quotas. This, George claims, gives the US de facto veto power on the most important policy issues (George 1989, p. 55).

George picks Jamaica, in the period from 1977 to 1987, as a fair example to test the IMF solution to Third World Debt. Jamaica had implemented IMF policies over this period of time and it was small enough to be responsive to the IMF policies. Jamaica had also been politically cooperative with the views of the larger banks, creditor-country governments and their central banks, the World Bank and the IMF (George 1989, pp. 171 ff.).

In assessing the success of the IMF solution, George focusses on two key features: the state of the economy as a whole, and how ordinary Jamaicans fared. First, in assessing the economic position of Jamaica, George claims that the debt in Jamaica rose from $150m in 1971 to $813m in 1976, $1.7b in 1979 to $3.3b in 1987 (George 1989, p. 174). There was a drop in real incomes of 25 per cent and inflation went up 320 per cent from 1972 to 1980. Joblessness hit a record 31 per cent in 1979. Local food production declined and food imports rose (George 1989, p. 176). In short, the IMF adjustment programs did not solve the economic problems that Jamaica was facing. In fact, Jamaica's economic position continually weakened.

So what did this mean to the Jamaicans? Because of the policies of the IMF, such as reducing government spending, health, education and public transport became too expensive for the poor and government subsidies disappeared. Part of the IMF policy was to devalue the Jamaican dollar. Since Jamaica was locked into the international economy, the cost of fuel and food products (most of which are imported) became more expensive.

The IMF had encouraged the government to export and was not concerned with supplying food for local people. Prices of things that were essential to small farmers rose so much that many went out of business. The small farmers relied on machinery, fertilizers and seeds, the prices of which sky-rocketed. Malnutrition rose in Jamaica in this period (George 1989, p. 185). Furthermore, due to devaluation, and since most basic drugs were
George's 3-D Solution

George points out that the effectiveness of her own 3-D solution will be conditional on greater unity among the debtors and on the political backing of both the First and Third Worlds. It will also require that moves be made away from international markets and that there be a focus on meeting the real needs of the people at the grass-roots of society in the Third World. George's solution is agriculturally based, gives rural people representation, and gives priority to the landless and to women. George argues that Third World debt could be used to promote democracy and real development in the Third World. She also thinks that First World governments and institutions are unlikely to deviate from the development model unless there is strong and sustained popular pressure.

In her 3-D solution, George proposes that the debts be paid in two ways: reimbursement in cash and reimbursement in kind. The first instance of debt that she addresses is low-income African debt which accounts for at most 7 per cent of global Third World debt. Since only 10-15 per cent of Africa's debt is owed to banks, George maintains that there is opportunity "to experiment, innovate, and take modest risks in managing the reimbursement process to the ultimate benefit of everyone involved" (George 1989, p. 246).
(i) African debt

(a) Reimbursement in cash

Reimbursement in cash involves paying back the debt in the debtors' local currencies. George proposes that African governments make regular interest payments into a national development fund. Each state's fund would be represented by democratically elected representatives of the civil society and representatives of the state. The fund would then make loans to small-scale farmers and rural entrepreneurs. "Each payment made by a government into its own national development fund would trigger a corresponding reduction (or, on the matching-grant principle, double or triple reduction) of its external debt in hard currency by the IMF, the multilateral development banks and the official bilateral creditors" (George 1989, p. 249). The creditors, however, would not receive any further repayments, since the money that the development fund receives would be reused internally in that country.

George points out that repressive governments, especially military regimes, would be resistant to such programs. This is why she thinks outside pressure is necessary. However, because virtually everyone is losing from the present debt management strategies, there are presently opportunities for such groups as "peace activists, women's movements, trade unions, farmers and export orientated industries" to coalesce in pushing the debt crisis into a means of genuine development and democracy (George 1989, p. 244). Such a coalition could "oblige Western governments to put
their money where their mouths are in defending democratic values" (George 1989, p. 244).

The 3-D solution requires that the debtor governments redirect economic activity away from the international markets and towards an inner-directed economy which focuses on satisfaction of their people's real needs. Especially for the least developed countries of Africa, this would mean a strong agricultural emphasis aiming to supply food crops and renewable energy sources (George 1989, p. 245).

The foundations of social policy would be "health care, literacy, education, the promotion of women. Available foreign exchange would be used to acquire capital goods and basic equipment—not to pay for debt service, arms or prestige items" (George 1989, p. 245). George further advocates the full participation of both Northern and Southern Non Government Organisations (NGOs). NGOs, according to George, have a proven record of project management and innovative ideas. They are also usually less corrupt than entrenched bureaucracies and local elites.

George maintains that, because her proposal is political, it would need to start with public debt (which accounts for most of the debt). However, this proposal is also affordable to banks: George claims that "by 1988 Third World loans accounted for only 6 per cent of their total loan exposure" (George 1989, p. 245).
The other type of repayment that George proposes is what she calls 'reimbursement in kind'. She claims that even poor African countries contain "natural, material and cultural treasures that are part of humankind's heritage", such as wilderness areas, traditional agricultural techniques, and local languages (George 1989, p. 250). Under the present socio-economic conditions in the Third World, these treasures are being squandered, eroded or irrevocably destroyed.

As examples of reimbursement in kind, George lists such things as: conservation and reproduction of species (both animal and vegetable); soil conservation; reforestation (especially with local varieties); development and improvement of wells and small-scale irrigation techniques; recording and implementing traditional earthen architecture; recording traditional agriculture; medical and pharmaceutical knowledge; and compilation of dictionaries and grammars of local languages (George 1989, p. 250 f.).

The idea of reimbursement in kind is to allow indebted countries in Africa to 'pay off' part of their debt by preserving their own heritage. George points out that African elites have been keen to imitate the West in culture and life-style. By working on, and being paid to work on, heritage-preserving programs, people may also find a new pride in their cultures.

George proposes that the work done in these projects be progressively written off against the debt as these programs
progress. The work that people do on such a reimbursement-in-kind program will need to be paid for as the people will not otherwise have time to take themselves from their daily necessary duties. They will need to be paid by the development fund which could be topped up with fresh money by the First World.

* * *

The aims of the 3-D solution are to give recognition and remuneration for the African people's contribution to our common heritage, to strengthen the "peasantry, the pastoralists and the agricultural sector, and thus work towards the elimination of hunger and the poverty on which hunger thrives, [and] to rehabilitate the environment and provide income-generating activities for people who live in it" (George 1989, p. 251).

(ii) Latin American debt

George claims that Latin American debt is more complicated than African debt. First, Latin America's debt is much larger; and second, Latin American debt is divided into about one-third public debt and about two-thirds private debt (George 1989, pp. 252 f.). One complication with applying the 3-D solution to Latin America, which involves a more efficient and more autonomous development model, is that it would be far less expensive than the 'mal-development' model. So the 3-D solution 'comes on the cheap' relative to the size of the debt that needs to be discharged. A second complication has to do with the banks. Banks, to which Latin America is heavily in debt, are extremely unlikely to partake in political innovations unless they are forced to do so. Furthermore,
Latin America will be dependent on fresh capital for the foreseeable future (George 1989, p. 253). So, according to George, any proposals which ignore the participation and the interests of banks are a non-starter.

According to George, the Latin American case requires that the 3-D solution be supplemented. Further, a problem that needs to be overcome for even the supplemented 3-D proposal to come to fruition is the lack of unity between the Latin American governments. Indeed, those in political power typically benefit from the present arrangements. Unity, according to George, can only be reached by popular movements where the people within Latin America pressurise their governments. George discusses a number of further strategies that could be applied to Latin America. She points out, however, that these strategies are dependent on unity and solidarity in the Third World.

The first proposed strategy consists in exploiting present conflicts of interests that exist between transnational banks and other sectors of the First World economies. Because debtors are financially committed to debt repayments, they are unable to afford products from First World farms and firms. The proposal is that the debtors reduce their imports to that which could not be produced within their country and restrict purchases of foreign goods to goods which are vital to development, such as fertilizers, food stuffs and machinery. They then buy these from the creditor nations in proportion to the debt held by the particular creditor (George 1989, pp. 254 f.). The cost of the products can be deducted from the debt owed to that creditor country.
By implementing such a strategy, money would be returned to the creditor economies, but it would be spread more between their industrial suppliers, their farmers and their banks. This would help to maintain jobs in the industrial countries as well as free up hard currency for the debtors to purchase items necessary for genuine development. If the creditors thought it necessary to compensate their own banks, George thinks this would be possible by increased tax revenue due to increased business.

The second proposed strategy consists in fixing a minimum price on the commodities sold by the debtors to the prices they were attracting before global price reductions (George 1989, pp. 256 ff.). George claims that the commodity prices were depressed, in part, due to IMF and World Bank adjustment programs which insisted that a large number of debtor countries export a limited range of products. In receiving more payment for their export products, the debtors will be more able to repay their creditors.

The third proposed strategy is that the unified debtor governments insist on the banks returning, or loaning back at reduced interest rates, the flight capital of their own nationals (George 1989, pp. 258 f.). Such a measure would free up capital for debt repayment or allow the debtors much needed fresh capital for development.
George's Reasons Against Unconditional Cancellation or Repudiation

It is noteworthy that George's 3-D Solution to the Third World debt crisis does not involve an unconditional cancellation or repudiation of the debt. George argues against unconditional cancellation or repudiation for four main reasons.\(^{21}\)

First, unconditional write-offs would reward the most repressive, profligate and corrupt regimes which borrowed the most for the worst reasons, while penalising the more prudent countries who have been doing their best to reimburse their creditors (George 1989, p. 240).

Second, a generalized wipe-out would give the West a perfect excuse to cut off all aid. If the debtors were to repudiate, their credit-worthiness would drop to zero for some time. Credit-worthiness or new money is something that George thinks the Third World will be in dire need of for a long time to come (1989, p. 240).\(^{22}\) George maintains that the debtors should honour their debts to suppliers; otherwise, they would not have access to imported basic necessities. "Greater self-reliance is a worthy goal; forcible cut-off from the rest of the world is not" (George 1989, p. 240).

Third, George argues that partial cancellation of the debt would not make conditions any different for the debtors. As it

\(^{21}\)George clarifies the difference between different types of default. Creditors cancel, debtors repudiate (George 1989, p. 238).

\(^{22}\)George maintains that one possible exception to this is Brazil because Brazil could develop satisfactorily by depending entirely on local resources.
stands now, Latin America is only paying 50 percent of its interest charges. This is why the debt keeps piling up. If the debt were to be reduced by 50 per cent or less, the rate of repayment would not decrease. At best the debtors could pay off the interest and the debt would stop piling up or pile up at a slower rate. In such circumstances "Latin America would become worse, or would be unchanged" (George 1989, p. 240).

Fourth, George thinks that even if there was total cancellation and fresh money (an unlikely scenario), governments would be likely to go back to the development models that got them into trouble in the first place. The benefits of such cancellation are unlikely to 'trickle-down' to the majority. The elites in the Third World would be the only ones to benefit (George 1989, pp. 241 ff.).

Morally Relevant Features of the Third World Debt Crisis

George's account of Third World debt and her subsequent proposed solutions draw out and emphasise a number of morally relevant features of the debt crisis.

First, Third World debt has fuelled inequities in both the Third World and the First World. The financial and political elites have profited handsomely from the crisis. The bankers who have arranged the loans have enjoyed very high salaries. The Third world elites have often squandered the money on prestigious projects at home or invested the money in private bank accounts overseas. On the other hand, workers in the First World have lost
their jobs due to the loss of markets and taxpayers have reimbursed the First World banks. The poor in the Third World have borne the burden of repaying the loans.

Second, the poor in Third World countries are repaying the debt that they had no say in acquiring. That is, the loans were made by those in power but the burden of repayment has fallen on the poorer citizens of the country. Often those in power have been military dictators and not elected governments. Even when they have been elected governments, the projects on which the borrowed money has been spent have often not been in the interests of the citizens, especially the poorest.

Third, the poverty that has been caused by Third World debt and debt associated oppression has caused hunger and suffering from avoidable diseases.

Fourth, the debt crisis has been a major contributor to envirocide. Forests have been logged at rapid rates in the Third World to sell timber and to make way for cash crops or cattle farms so that export dollars can be earned to service the debt. Fewer environmental restrictions have been placed in Third World countries; this has licensed transnational companies to pollute at rates prohibited in the First World.

Fifth, democracy is something that many First World institutions claim to value. The current Third World debt crisis has denied people their democratic rights. This crisis, however, gives First World institutions an opportunity to ensure that people's democratic rights in the Third World are met. The 3-D solution
could give the oppressed in the Third World an opportunity to take control over their lives.

George also thinks the 3-D solution has prudential value for the First World—she thinks, for example, that this is the only feasible way to prevent Africa from withdrawing from the world system.

**Conclusion**

In this chapter, I have characterised Susan George's analysis of the origins and significance of the Third World debt crisis and her own proposed 3-D solution. In Chapter 3, I set the scene for assessing George's 3-D solution in the light of R. M. Hare's account of justice, as this applies to issues of international distributive justice.
In this chapter, I give an account of R. M. Hare's theory of justice, both formal and substantial, and relate it to his moral theory. My aim is to expound rather than to critically assess Hare's position. The main point of the chapter is to provide a context within which to assess George's proposed 3-D solution to the Third World debt crisis in terms of Hare's theory of distributive justice, as this has international application.

Hare is a utilitarian who maintains that justice plays a central role in moral theory. The moral theory that Hare defends is preference utilitarianism, which aims at maximising people's preferences. Hare maintains that preference utilitarianism of the type he defends marries crucial aspects of Kantianism and act utilitarianism (Hare 1981, pp. 4 f. & 42 f.). Hare distinguishes between meta-ethical constraints on normative ethics and the substantial normative ethics such constraints govern. Within normative ethics, he distinguishes between two levels of thinking. He connects the meta-ethical constraints—which supposedly follow from the meanings of moral words—with considerations of formal

---

1Hare is an *indirect* or *rule* utilitarian in that he maintains that utility is maximised by applying prima facie principles which we use at the intuitive level of moral thinking, but he is a *direct* or *act* utilitarian at the critical level. I characterise the difference Hare draws between the intuitive and the critical levels of moral thinking below (Hare 1981, p. 43). See also fn. 6, this chapter.
justice. The two levels of normative-ethical thinking are the intuitive and the critical. Principles of substantial justice, according to Hare, are prima facie moral principles which belong to the intuitive level of normative thinking. Conflicts between such principles are resolvable at the critical level of thinking where considerations of maximal utility (preference-satisfaction) are overriding.

Two Levels of Normative Moral Thinking

For Hare there are two levels of normative moral reasoning. He calls these levels the critical level and the intuitive level. At the intuitive level we have a set of prima facie principles which we apply in day-to-day life. This intuitive level is not self-sustaining, according to Hare, and so there is a need for a critical level of moral thinking.

(i) The intuitive level

The intuitive level of moral thinking consists of relatively simple, prima facie, intuitive principles. According to Hare, our moral education plays an important role in the formation of our intuitive principles (Hare 1981, pp. 30 f.). If we have been well brought up, we acquire certain sentiments and reactions towards actions of different types. When we do things which we normally consider as wrong, such as breaking promises or telling lies, we can have involuntary physical reactions such as blushing or a change
might occur in the electrical properties of the skin. In such cases we also find ourselves with a feeling of compunction.²

According to Hare, when we find ourselves in a situation where we make a judgement that it would be best, all things considered, to lie on that occasion, we may still have a feeling of compunction when lying. This residual feeling of compunction or guilt is closely tied to a sense of ought in which we continue to think that we ought not to be telling the lie. In such cases, however, there is another sense of ought which is relevant, namely, one such that we think that, all things considered, we ought to tell the lie. Hare thinks that people often confuse these different senses of ought, one of which is operating at the intuitive level and the other at the critical level.

On Hare's view, the relatively simple, prima facie principles that are held at the intuitive level of moral thinking are a necessary part of human moral thinking, though they do not exhaust it. "Having the principles, in the usual sense of the word, is having the dispositions to experience the feelings, though it is not...incompatible with submitting the principles to critical thought when that is appropriate and safe" (Hare 1981, p. 39, emphasis original).

Our prima facie principles, according to Hare, are best kept relatively simple and general for reasons of practicality. Basically, no two situations and no two people are ever exactly like each

²Hare gives some detailed discussion of the differences among negative responses like regret, remorse, compunction and guilt. The generic point is that, in such cases, there is a negative psychological response.
other. The principles are needed to cover a range of situations which have some particular morally relevant feature in common. Any two situations will have some features in common and some differing features. When the differing features of a situation are not different to a previous situation in a way that is morally relevant, then the previously learnt principle will normally be the appropriate principle. There may, however, be some cases where there is reason to be critical of a previously learnt principle. At the same time, one must be careful not to be critical of previously learnt principles in a spontaneous and irrational way.

Hare notes that problems can arise at the intuitive level of moral thinking, where we rely on our relatively simple, prima facie principles, as "we are bound to find ourselves in situations in which they conflict and in which, therefore, some other, non-intuitive kind of thinking is called for, to resolve the conflict" (Hare 1981, p. 40). Critical level thinking is needed to resolve such conflicts among relevant prima facie principles. Critical level thinking requires, in such cases, that we question the intuitions that we have, that we question whether past decisions were the right ones, and that we review our dispositions which have been formed by our upbringing.

(ii) The critical level

It is at the critical level of moral thinking that we justify the principles that we are to apply at the intuitive level. According to Hare, "there is a need for a critical level of thinking by which we select the prima facie principles for use at the intuitive level, settle conflicts between them, and give to the whole system of them a
justification which intuition by itself can never provide" (Hare 1978, p. 117).

Critical thinking, according to Hare, "consists in making a choice under the constraints imposed by the logical properties of the moral concepts and by the non-moral facts, and by nothing else" (Hare 1981, p. 40). Unlike the prima facie principles at the intuitive level of thinking, critical moral principles can be of unlimited specificity. Both the critical and the intuitive principles, however, are universal prescriptions.

(a) Universalizability at the critical level

Critical thinking, according to Hare, operates under a constraint of universalizability. Universalizability requires that if we make a moral judgement about any particular situation, then we must be prepared to make that same judgement in morally relevant similar circumstances. These similar circumstances need not be actual circumstances but logically possible, hypothetical, similar circumstances. Hare says that "critical thinking has to...find a moral judgement which the thinker is prepared to make about this conflict-situation and is also prepared to make about all the other similar situations" (Hare 1981, p. 42).

Universalizability is the requirement, in making moral prescriptions, to make the step "from prescriptions which I accept for my own experiences to prescriptions which I must accept for experiences I should have, were I to be in someone else's position.

---

3 Hare thinks that, without critical thinking, moral systems lack the wherewithal for such justification. Intuitionist moral theories, on his view, are unable to settle conflicts that arise between principles.
with his preferences" (Hare 1981, p. 108). It follows from universalizability that, if I prescribe that I do a particular act or refrain from a particular act that affects others, then I must be prepared to prescribe that others do or refrain from doing the act, if our roles were reversed, including our motivational states.\(^4\)

Moral reasoning, for Hare, involves more than merely formal constraints on reasoning which follow from an understanding of the language of morality. The substantial premises are also crucial. Universalizability, he claims, demands that we treat the prescriptions of others (i.e. their desires, likings, and, in general, preferences) on a par with our own original prescriptions (Hare

\(^4\)Hare claims that universalizability is a logical requirement of morality which is built into the meaning of moral terms. John Mackie has argued, however, that while universalizability is a logical requirement of morality, it is not extendible to the degree that Hare claims. Mackie distinguishes three stages of universalisation.

The first stage of universalization Mackie calls 'the irrelevance of numerical differences'. Mackie interprets this first stage as a requirement of the meaning of moral terms and the logic of moral statements. This requirement can be simply that individual reference to individuals, nations and so on are eliminated (Mackie 1977, p. 83).

Mackie then characterises a second stage of universalization, which he calls 'putting oneself in the other person's place'. As the name suggests, this stage of universalization requires that the asserter imagines herself in the other person's place and asks whether she can accept the maxim as a directive guiding the behaviour of others towards herself.

Mackie then introduces the third stage of universalization, which he calls 'taking account of different tastes and rival ideas'. This third stage involves "putting oneself even more thoroughly into the other person's place, so that one takes on his desires, tastes, preferences, ideals, and values as well as his other qualities and abilities and external situation" (Mackie 1977, pp. 92 ff.). The purpose of this stage of universalization is to find action-guiding principles which take into consideration the tastes and ideals of others who may be affected by the actions. It is by adopting this stage and by weighting equally the actual interests of those who may be affected that some kind of utilitarianism is reached.

Mackie contends that "it is at most the first stage, the ruling out of purely numerical differences as morally irrelevant, that is built into the meaning of moral language" (Mackie 1977, p. 97). For his part, Hare denies that there are these different stages of universalization in moral judgements and contends that Mackie has only pointed out a "progression in the use we make of this single logical property as we develop our theory of moral reasoning" (Hare 1981, p. 108).
1981, p. 16 f.). So, what is essential in generating moral principles at the critical level is universalizability informed by the relevant non-moral facts—including, especially, facts about the prescriptions (preferences) of parties affected by the action at issue.

Hare's conception of rationality also plays an important role in his account of sound moral reasoning. For what such reasoning requires is universalizability *rationally applied*. Rationality, on Hare's view, requires that one be cognisant of the facts surrounding the application of the prescription in consideration. This will include, for any affected individual, "facts about his position as it affects him with his preferences" (Hare 1981, p. 89). Since only an archangel can be aware of all the facts, the sort of critical thinking that is required—which is the closest approximation to an archangel to which we human beings can aspire—is that we take into account, as best we can, what we take to be the salient facts.

Hare's thesis of universalizability, as has been noted, requires that one take into consideration what it would be like, in some course of action, to have the preferences of the other affected person (or persons). Universalizability does not require simply that one imaginatively consider what it would be like for oneself to be in the situation of the other. It is not enough to consider how oneself would feel, or consider what one's own preference would be, with one's own present set of desires and values. One must imaginatively project oneself into the situation taking account of the other's set of preferences, (Hare 1981, pp. 94 ff.). It is important to keep in mind that "the motivational states he actually now has may
run quite counter to [one's] own present ones" (Hare 1981, pp. 108 ff.).

Hare maintains that, since critical thinking, properly applied, includes that the critical thinker "occupies, respectively, the positions of all the other parties in the actual situation, no judgement will be acceptable to him which does not do the best, all in all, for all the parties" (Hare 1981, p. 42). The judgements that the critical thinker makes, according to Hare, are the ones that an act-utilitarian would make. It is in this way, Hare thinks, that utilitarianism and Kantianism are synthesized.

According to Hare, many people wrongly think that Kant and utilitarians stand at opposite poles of moral philosophy. For his part, Hare claims that "the formal, logical properties of the moral words, the understanding of which we owe above all to Kant, yield a system of moral reasoning whose conclusions have a content identical with that of a certain kind of utilitarianism" (Hare 1981, p. 4). The sorts of prima facie principles that a Kantian would choose at the critical level by applying the categorical imperative are the same as what a utilitarian would select (Hare 1981, p. 50).\footnote{It is a contentious issue, however, whether the marriage Hare forges between utilitarianism and Kantianism really works. See Persson 1983, pp. 43 ff.}

(b) Utilitarianism at the critical level

The critical thinker that Hare describes as 'archangelic' is impartial, rational and benevolent, when deciding on what principles to apply at the intuitive level. Hare thinks that such a critical thinker would agree to principles that an act preference-
utilitarian would agree to.\textsuperscript{6} The justification, in brief, is that, when considering all the possible outcomes of a particular action, it would be rational—as a solution to an intrapersonal conflict that has been induced by imaginative projection—to prefer the situation in which utility, construed as preference satisfaction, is maximised.

Hare's requirement of universalizability, which he claims is a purely formal property of moral reasoning, requires that we treat all preferences, including the preferences of others, with equal weight. It is required further that one's universalizing be rationally applied. Hare's notion of rationality includes that one take account of all the relevant facts surrounding the proposed prescription. Salient among such facts, on Hare's theory, are the preferences of the affected parties. To know what another's preferences are one needs to imaginatively project what it would be like to be the other; or, in other words, to imaginatively identify with the other. Once identifying with the other, one takes on preferences corresponding to the preferences of the other in the form: "I now prefer with strength S that if I were in that situation x should happen rather than not" (Hare 1981, p. 95). In this way one is meant to acquire a desire equal in strength to the desire of another. Since the desire of another actually becomes matched by a desire of oneself, what was

\textsuperscript{6}Hare sometimes refers to act utilitarianism and at other times to preference utilitarianism. Act utilitarianism often contrasts with rule utilitarianism. Hare maintains that there could, strictly speaking, be a difference between happiness and preference utilitarianism. This difference would be that the happiness utilitarian would consider only now-for-now preferences and then-for-then preferences. A preference utilitarian would consider all preferences, including now-for-then preferences (Hare 1981, pp. 103 ff.). Hare also thinks that the distinction that many often make between act and rule utilitarianism is confused. For Hare, critical thinking is act utilitarian, which can also be rule utilitarian if the rule is to be of unlimited specificity. Rule utilitarianism, normally construed, comprises prima facie principles at the intuitive level (Hare 1981, p. 43).
an interpersonal conflict becomes an intrapersonal conflict, which requires rational resolution. Such rational resolution consists in maximal preference satisfaction—in the simplest case of two competing desires, satisfying the strongest desire.

Hare illustrates how a critical thinker will come to rationally prescribe utilitarian principles by considering the following bilateral example which involves a conflict in interests between two people. One person has a bicycle parked in a position where another person wants to park his car.

The other party wants me not to move his bicycle, but I want more to move it in order to park my car. I am fully aware of the strength of his desire, and therefore have a desire of equal strength that, were I in his situation, the bicycle should stay where it is. But I also have my original desire to move it in order to park my car. This later desire wins by superior strength....We see here in miniature how the requirement to universalize our prescriptions generates utilitarianism (Hare 1981, p. 111).

While Hare uses this simple bilateral case to illustrate how preference utilitarianism is reached by universalizing, he claims that there is in principle no difficulty in extending the method to multilateral cases. The difficulties that arise, he says, are practical

---

7The notion of rationality that Hare appeals to here is similar to the notion of rationality that is often appealed to in discussions of prudence. In the case of prudence, it is rational to treat one's own future preferences as of equal weight to one's present preferences. What is prudentially rational is to maximise the satisfaction of one's present and future preferences. What is morally rational, in accordance with universalizability, is the maximising of others' and one's own preferences.
ones of having full knowledge of what the involved parties' preferences are and of performing the complicated thought processes. Hare admits that in many cases of moral problems it would be too difficult for humans with limited cognitive capacities to perform an elaborate calculation of utilities and that only an archangel could perform them (Hare 1981, pp. 121 f.). We would do better he thinks to stick to well tried and fairly general principles.

The Role of Justice in Hare's Moral Theory

The following section characterises the role of justice in Hare's moral theory. Hare distinguishes formal justice from substantial justice. According to Hare, formal justice is the requirement that moral principles be universalizable, whereas substantial principles of justice are those *prima facie* principles of justice that we adopt in everyday life.

(i) Formal justice

Formal justice, according to Hare, is simply the requirement that moral principles be universalizable (Hare 1978, p. 117; 1981, p. 157). So, formal justice consists in the observance of a set of canons in our moral arguments, which are derivable from the formal, logical properties of the moral words, and from the requirement that individual references be excluded from the moral principles. The canons that Hare refers to would include that "we are not allowed to discriminate between individuals unless there is some
qualitative difference between them which is the ground for the discrimination; and...that the equal interests of different individuals have equal moral weight" (Hare 1978, p. 117). Hare uses an example to illustrate how something could be formally unjust. "If I have to give a single indivisible cream puff to one or other of my twins, who both want it equally, it may be morally right to toss a coin, rather than give it to neither....What would be at fault (logically) would be to make the moral judgement that I ought to give it to one twin rather than the other, when there was nothing to differentiate them. That is why we toss coins in such cases, to introduce a difference" (Hare 1981, p. 157).

Formal distributive justice, however, is not sufficient to get to substantial justice. Hare maintains that formal justice will not, for example, tell us whether or not "people with big houses should get greater political power" (Hare 1981, p. 157). What is needed, in addition to the formal constraints on justice, are the empirical facts, especially facts about what people's preferences are.

(ii) Substantial (material) justice

Formal justice, and the formal impartiality associated with it, are insufficient for developing substantial principles of distributive justice, as these require only that we treat everybody's interests as of equal weight. Hare illustrates this with the following example. Suppose that we were to take a dollar from every person in town and that the resultant loss in purchasing power of each person was hardly noticed and so the resultant utility enjoyed by each is not much diminished. Further suppose that this large sum of money
was given to one man such that he could subsequently buy himself a holiday which he could enjoy very much. If we were to take a completely impartial point of view, we would have to regard who has the holiday as irrelevant. Now, allowing that the losses in utility of the many were exactly outweighed by the gain in utility of the fortunate individual, then the requirements of formal impartiality would be met. However, while such a redistribution would meet the requirements of formal justice, Hare maintains that most of us would consider such a distribution as unjust (Hare 1978, p. 123).

According to Hare, the substantial principles of distributive justice are the *prima facie* principles we adopt in everyday life which critical thinking will endorse. These principles of justice will be built around our conception of fairness and desert. Such principles will depend on the empirical facts of what we would be prepared to accept as distributively preferable, if we were in the shoes of the other affected parties, as it were. Hare concedes that substantial principles of just distribution will differ between societies. Of course, these principles can only be obtained when conceptions of fairness or desert pass the test of universalizability. But what people's conceptions of fairness and desert\(^8\) are is an empirical matter. All such "principles of 'particular' substantial justice are prima facie and not critical principles" (Hare 1981, p. 158).

\(^8\)Mill writes extensively on the different conceptions of justice which include rights of personal liberty and property, desert, the keeping and breaking of faith, partiality and equality (Mill 1991, pp. 178 ff.). Like Hare, Mill thinks that the competing principles of justice surrounding these notions is ultimately to be adjudicated in terms of utility.
Hare as a Prima Facie Moderate Egalitarian

As has been noted, Hare acknowledges that substantial principles of distributive justice will vary between societies. In this way, the principles of justice one ought to propagate vary with the probable effects of propagating them, and these effects importantly depend on the dispositions of people in the society in question (Hare 1978, p. 130). Hare himself advocates moderate egalitarianism as the substantial theory of justice for at least Western liberal societies. Hare points out that "neither political liberty nor economic equality are of necessity good things in themselves" (Hare 1981, p. 166). How important they are, and what degree of liberty or economic equality people ought to have, depends on what peoples' actual preferences in a given society are. There can be good reasons for some inequality, such as the need for differentials to provide incentives. It even seems reasonable to think that some inequality would be best for all. Hare points out that egalitarian principles would support progressive taxation of the rich but this could come into conflict with utility (Hare 1978, p. 125). Such principles, if enforced, could diminish incentives and reduce the overall goods to be distributed. Hare gives two reasons why the principles of distributive justice, chosen by an impartially benevolent critical thinker, would be moderately egalitarian. One

---

9This applies not only to those societies that are currently liberal democracies. For example, Hare maintains that, in some but not all circumstances, in the light of the predictable actual consequences, one could justify, on utilitarian grounds, changing a slave-owning society into a free and moderate egalitarian one (even through revolution) (Hare 1978, pp. 126 ff.).

10Hare does not explicitly address the issue of just distribution of power and status, but claims that "the method...for determining the just distribution of wealth can be used, with necessary changes in empirical premisses, for determining the just distribution of power and of status" (Hare 1981, p. 164).
is diminishing marginal utility and the other is peoples' envy. Hare points out, however, that "both of the arguments in favour of moderate equality, and all of those against extreme egalitarianism, rest on contingent empirical facts or conjectures" (Hare 1981, p. 166). For this reason it is essential for the critical thinker to find out what people's actual preferences are before committing himself to prima facie principles.

As just noted, Hare offers two arguments in favour of moderate egalitarian principles of distributive justice (for Western liberal societies and relevantly similar ones). One argument relates to diminishing marginal utility, while the other relates to people's envy. The argument for diminishing marginal utility is based on the empirical premise that an increase in money or some other good to a poor man increases utility more than the same increase when given to a rich man. "In terms of preferences, the impartial critical thinker who put himself in the shoes of both of these people would prefer that he should, in those cases, be given the increment if he were the poor man than if he were the rich man, supposing that he could have it in both roles" (Hare 1981, p. 164 f.). The second argument in support of moderate egalitarianism is based on an empirical premise that inequality "has a tendency to produce envy, which is a disagreeable state of mind and leads people to do disagreeable things" (Hare 1978, p. 126).11

I take it that, for Hare, a moderate egalitarian society is one which has a moderately equal distribution of wealth, power and status. While some inequality in distribution is permissible, extreme inequality is impermissible.

11It is worth emphasising that Hare's arguments in support of moderate egalitarianism, including those against extreme egalitarianism, are based on empirical assumptions. Whether or not, in its own terms, Hare's moral theory supports moderate egalitarianism as the theory of substantial justice when
Conclusion

In this chapter, I have characterised Hare's theory of justice, both formal and substantial, and related it to his moral theory. Hare, as we have seen, is an act preference-utilitarian (at the critical level) who endorses moderate egalitarianism (at the intuitive level) as the substantial principle of justice for Western liberal societies and societies relevantly like them. Hare's theory of justice applies in an obvious way to issues of international distributive justice, as, for example, in relation to Third World debt. The central question at the critical level is what substantial distributive principles best promote the satisfaction of the preferences of all affected parties, in both the Third and the First Worlds. George's proposed 3-D solution to the Third World debt crisis is apparently egalitarian, perhaps even moderately egalitarian. In the next chapter, I explore the extent to which her proposal is egalitarian and I consider whether it can plausibly be said to embody satisfactory principles of distribution from the standpoint of act preference-utilitarianism.

applied to a group of affected people depends on what the people's actual preferences are (or predictably would be) and on whether moderate egalitarianism is the best way to maximise those preferences. Hare even allows for the possibility that democracy may not be the best way to serve the interests of a given group (Hare, 1981, pp. 167 f.).
CHAPTER 4

ASSESSMENT OF GEORGE'S 3-D SOLUTION IN THE LIGHT OF HARE'S THEORY OF JUSTICE

My principal aim in this chapter is to discuss whether George's 3-D solution is a just solution in the light of Hare's theory of distributive justice. George's 3-D solution is motivated by a will to free people from the poverty and mass starvation which are, in large part, products of international debt. Her solution offers what she sees as the best, practicable way in which the debt crisis could be resolved justly. It is therefore instructive to consider how just her proposed solution is, from the standpoint of a significant theory of distributive justice like Hare's.

My discussion falls into two main parts, reflecting the two central aspects of Hare's theory of justice. As discussed in Chapter 3, Hare is an act preference-utilitarian (at the critical level) who endorses moderate egalitarianism (at the intuitive level) as the substantial principle of distributive justice for western liberal societies and relevantly similar ones. Correspondingly, in this present chapter, I consider (i) the relation between George's 3-D solution and egalitarianism, including moderate egalitarianism, and (ii) the more fundamental issue of whether it can plausibly be claimed for George's 3-D solution that it would maximally satisfy the relevant set of preferences about distribution.
George's 3-D Solution as Egalitarian

The burden of the debt crisis, as George characterises it, falls unequally on the citizens of both the First World and the Third World. The burden falls heavily on the poor in both Worlds while a tiny minority, the politically and financially powerful, profit handsomely. This results in large inequalities in power, status and, more importantly, in resources between the rich and the poor.

George's proposed reimbursement in cash—which involves debtor governments making regular interest payments into a national development fund and then reusing the money for projects internal to that country, such as small scale farming—aims at redirecting economic activity away from the international markets and towards an inner-directed economy which focuses on meeting people's basic and non-basic needs. By having a national development fund with democratically elected representatives, people would have more control over their own lives. By contrast, according to George, when people are subjected to the externally driven demands of their governments and the IMF, they are far more restricted in the choices available to them in terms of the crops that they grow and how their collective resources are to be distributed. By adopting her solution, George thinks that more power would be given to the otherwise disempowered people in the Third World. The 3-D solution would allow people to choose between their resources being used for such things as health care and education, or militarisation and prestige projects.

---

1 See my Ch. 2, the section, 'George's 3-D Solution'.
2 Under conditions at the time of George's proposal, the governments and other power elites of Third World countries often used public money on
To allow people access to such things as the means of producing food which they need, and would otherwise do without, would be a step towards a more egalitarian society. To make more accessible such things as health care and education is also egalitarian, insofar as it is likely to put the less privileged people in the community in a better position than they would otherwise be. Education gives people a greater opportunity to pursue a greater number of goals. In the present state of affairs, public resources in the Third World are scarcely spent on education, which makes access difficult for the poor. Access to health care often gives people a better quality of life, which is sometimes available only to the wealthy.

Reimbursement in kind, which involves debt reduction in exchange for heritage-preserving programs, is an important feature of George's 3-D solution. This strategy aims not only to benefit mankind collectively, but also to encourage people from non-western cultures to take pride in their heritage and culture. The present international market-driven economy does not incorporate as values such things as heritage, culture, language and environmental integrity. These treasures, under pressure from present 'development' strategies, are being squandered, eroded or irrevocably destroyed. The main idea behind reimbursement in kind is to recognise and remunerate past and future contributions

---

militarisation and prestige projects such as mega-dams and nuclear power stations. George still condemns the World Bank and IMF for their prestige projects. For instance, in her visit to Australia in April, 1994, she condemned the World Bank for policies surrounding the Narmada Valley project, a proposed massive and expensive irrigation and electricity generation scheme in India. (See also George & Sabelli 1994, pp. 175 ff.)

3See my Ch. 2, the section, 'George's 3-D Solution'.
of African peoples to our common heritage and the preservation and restoration of the environment, which are public goods.\textsuperscript{4}

Reimbursement in kind counts as egalitarian because it offers economic and political compensation to the poor for their contribution to the collection and recording of information on our collective heritage and for their contribution to the maintenance of the environment.\textsuperscript{5} Two aspects of this egalitarianism are as follows. First, payment to, and political strengthening of, the peasantry, the pastoralists, and the agricultural sector aims to eliminate hunger and the poverty on which hunger thrives. Second, moving the emphasis from income-producing exports to self-sufficiency, environmental sustainability, and the recognition of cultural diversity as a value aims to allow people in the Third World to determine for themselves what their needs are. Given that their cultural practices have been sustainable in the past, this will give such people a more secure and promising future than the one that the present export-oriented culture gives. George claims that the "3-D solution seeks greater equality and social justice" (George, 1989, p. 251). Greater equality, which is central to egalitarianism, is sought after by increasing the opportunities and quality of life of those furthest down the socio-economic ladder.

\textsuperscript{4}Reimbursement in kind is applicable not only to Africa. There are a number of different cultures in many parts of the Third World outside Africa that lack recognition in the present export-oriented context.

\textsuperscript{5}Also, by preserving the environment or engaging in environmentally sustainable practices, more resources are available in the long run. When resources are scarce, they are often affordable only to the wealthy. This, in turn, increases the differences between the rich and the poor.
As discussed in Chapter 2, George maintains that, in the case of Latin America, additional supplementary measures are needed in order to resolve the debt crisis. These measures include indebted Latin American countries being more selective in the purchasing of foreign goods, raising the price of commodity export products, and returning capital flight.

The first supplementary measure involves indebted Latin American countries buying only essential items such as fertilizers, pharmaceuticals, machine tools, spare parts, etc., rather than making bank repayments. This, together with an emphasis on making the Third World more self-sufficient, would count as egalitarian in two ways. First, money from the Third World would be redirected away from the banks and distributed more between industrial suppliers and farmers. Such redirection of money would help maintain and restore jobs in First World countries, many of which have been shed or are threatened due to a loss of the Third World's purchasing power. These measures would work to the advantage of the least advantaged people in the First World (i.e. the workers and unemployed). Second, an emphasis on improving capital equipment, creating jobs, and making the Third World more self-sufficient in basic foods, assists the poorest groups by helping them to meet their basic needs such as food and nutrition.

The second supplementary measure consists of Latin American countries working collectively to increase the price of export commodities. This would not necessarily affect the

---

6See my Ch. 2, the section 'George's 3-D Solution', subsection (ii), 'Latin American debt'.
distribution of resources in the Third World. It would, however, give the Third World more money which *could* be used to repay the debt and to import essential items. These extra export dollars could be used to decrease the inequalities that exist between debtor and creditor nations and could also be used to assist the poorer groups in the Third World. So, increasing the price of export commodities would not be egalitarian in itself, but could be used to promote egalitarian distributions if assisted by other strategies.

As a third supplementary measure, George proposes that flight capital be returned to the countries from where it came. This money *could* be used both to repay the debt and to purchase the items needed for genuine development. Such measures would be egalitarian if the money that was squandered by the power elites, when returned, was used to the benefit of the poor. As with the extra money available from increased export prices, the distribution of the benefits of these measures would determine whether or not they counted as egalitarian.

**Is George's 3-D solution moderately egalitarian?**

Hare's notion of moderate egalitarianism is that distribution of wealth (and power and status) be nearly equal. Some inequalities, however, may be permissible if they promote utility, understood as maximal preference satisfaction.

George's solution is arguably consistent with this notion of moderate egalitarianism. First, the 3-D solution clearly aims at
removing the extremes of present inequalities. Second, the solution focuses on materially and politically empowering, through structural changes, groups such as the poor, people in rural areas, minority ethnic groups, youth, women, artisans and peasants. The degree of empowering aimed at is considerable. Third, there is little reason to think, however, that George’s proposed solution aims at an extreme egalitarian rearrangement of economic and political life in the Third World. For, as well as the disempowered in the Third and First Worlds, her solution takes account of the existence and motivations of established institutions such as the IMF, banks and national governments. The solution aims at a *modus vivendi* among these competing interest groups which will considerably improve the economic and political position of the disadvantaged and vulnerable in both the Third and First Worlds. Furthermore, George’s approach to solving the debt crisis seems to be consistent with promoting democratic political structures within mixed economies, where there is bound to remain an unequal distribution of economic and political power. George's solution, while taking account of present powerful and empowering institutions, aims at reducing the degree of inequality that exists between the elites and the poor; however, presumably for practical reasons, her proposal does not aim at the removal of all inequalities.

It is difficult to judge conclusively whether George’s solution is moderately egalitarian in principle. Whether or not it would count as moderately egalitarian would depend on how much inequality she is prepared to allow. Her solution emphasises the promotion of greater equality, but George is not explicit on either
how much equality there ought to be or on how much equality she thinks her solution would generate. Her solution would, however, count as more egalitarian than the present arrangements under IMF strategies and other proposals, such as the proposals of Baker and Bradley.  

Is George's Solution Sensitive to the Preferences of All Those Affected?

Moderate egalitarianism, on Hare's theory, is a *prima facie* principle, the justification of which depends on whether it would best maximise the preferences of the relevant parties. In the case of Third World debt, the relevant parties include the whole of the global community which can be divided up into the Third and First Worlds. Whether or not George's solution is just, on Hare's theory, will ultimately depend on whether it would best satisfy the preferences of *all* parties concerned. It is clear from my discussion of George's solution and egalitarianism that her solution would satisfy many preferences about the distribution of goods that may reasonably be credited to ordinary people in the Third World. However, a possible objection is that George's 3-D solution is value-imperialistic, especially in relation to its requirement of democracy, and so runs the risk of failing to meet Hare's standards of justice. In this section, I discuss whether George's solution is value-imperialistic in relation to the Third World, and how her proposed

---

7See my Ch. 2, fn. 1, and George 1989, pp. 190 ff.
solution fares in relation to the preferences of the people in the First World, including the lenders.

(i) *Third World preferences and value imperialism.*

An important objection to George's 3-D solution is that, insofar as it insists on democratic political structures, it is insensitive to the values or preferences of many of the people in the Third World. That is, it could be argued that the democratisation on which George makes reimbursement conditional does not properly take into consideration the cultural values (and associated preferences) of at least some of the affected people. In short, it could be argued that George's solution is an instance of value imperialism. To this kind of objection George replies: "Once they have experienced democracy and basic freedoms, has any people ever willingly given them up?" (George 1989, p. 251). So, George apparently thinks that, while in some cultures democracy may not have been a value in the past, if the people from that culture were to experience democracy, they would very likely adopt it as a value. However, it is arguable that, in some other cultures, where such things as hierarchical tribal structures (for example) are valued or preferred, democracy may conflict with other decision-making processes, which are acceptable to a given group despite being undemocratic (as in chieftain cultures).

In many ways, George's 3-D solution *is* sensitive to the values and preferences of the people within the different cultures of the Third World (consider some of the proposals in the reimbursement...
in kind aspect of her solution, for example). However, as in the case of the emphasis on the First World value of democracy, she may fall short of the sensitivity to the actual preferences of those affected which Hare thinks must ground any just ordering of society—including any moderate egalitarian, democratic ordering.9

From Hare's point of view, there is, however, a prima facie case for introducing democracy to societies that are currently nondemocratic (even those societies that count as well-ordered hierarchical societies).10 Hare maintains that when deliberating on whether to implement a particular policy, one ought to take into consideration both the present and future preferences of the affected parties (Hare 1981, pp. 100 f.). As indicated above, George is confident that once people have experienced democracy, they will be unwilling to give it up. However, it is a difficult empirical issue whether George is right in her prediction about the changed future preferences of those who now live in nondemocratic Third World societies and presently prefer that their societies not be democratised. This is not an issue that I am really in a position to adjudicate here. I am simply marking it out as a concern in trying to assess how just George's 3-D solution is in terms of Hare's theory of justice.11

---

9See my Ch. 3, the section, 'Hare as a Prima Facie Moderate Egalitarian'.
10See Hare's discussion of the pros and cons in relation to changing a slave-owning society into a moderate egalitarian one (See Hare 1978, pp. 128 f., and my Ch. 3, fn.9).
11I revisit the objection that George's 3-D solution is value-imperialistic in Ch. 6, when considering that solution in the light of O'Neill's theory of justice.
(ii) First World preferences

From the perspective of Hare's theory of justice, the fundamental issue in assessing George's 3-D solution is the following. How well does George's egalitarian solution contribute to the maximal satisfaction of the preferences of all the affected persons in both the Third and First Worlds?

But just who are the affected parties? For Hare, the affected parties are all those people whose preference satisfaction is influenced by any of the possible courses of action. In the case of Third World debt, this would cast the net fairly widely, given the interconnectedness (economic and environmental) of peoples in the contemporary world. Even so, it is fairly easy to identify at least some of those (including institutions) who very clearly fall into the class of affected parties. For example, in the First World, there are the lenders—such as the banks and the bankers. In the Third World, there are the urban and rural poor (who so far have been the focus of discussion). But others are also clearly identifiable. George's book *The Debt Boomerang* is interesting in this connection, in relation to the First World. George maintains that the affected, wronged parties of the Third World debt crisis include the poor or politically vulnerable in both the Third and First Worlds.

In the two sections that follow I discuss how George's 3-D solution is likely to bear on the preferences of the different, affected groups in the First World—exploited and exploiters. It turns out that George's 3-D solution is congenial to the preference satisfaction of many in the First World, given certain natural
assumptions about people's preferences. This contrasts with the present situation of Third World debt, which thwarts preference satisfaction among many in the First World in various ways.

(a) The debt boomerang and preferences in the First World

As indicated in Chapter 2, according to George the majority of citizens from the First World creditor nations are also bearing the debt burden in what she describes as the six boomerangs: environmental destruction, drugs, cost to tax payers, unemployment and lost markets, immigration pressures and, heightened conflict and war.

First, the Third World debt crisis exacerbates the problem of global environmental destruction. Among the consequences are an increase in global warming and a depletion of genetic bio-diversity (George 1992, pp. 1 ff.). Those in the First World have an interest in maintaining (or using sustainably) the natural resources of the earth. Such things as ozone depletion are already affecting many in the First World by means of increases in rates of skin cancer. Deforestation is often claimed to play a major causal role in the extent to which weather patterns have become more erratic. Genetic bio-diversity is something that many in the First World value in itself and for the benefits it has in maintaining ecosystems from which we all benefit. It is through the natural environment that we have reaped and continue to reap benefits from such things as medical and biological research. The satisfaction of many present and future preferences is dependent on environmental
preservation. George's 3-D solution aims at environmental preservation, which is needed for satisfying important preferences of all, including the ordinary person in the First World.

Second, the Third World debt crisis has forced many in Third World countries into producing illegal drugs as the most reliable means of earning export dollars. The adverse effects of the drug industry on the people in the First World include both monetary and social costs (George 1992, pp. 34 ff.). Inseparable from the drug industry is organised and street crime. Those at the top of the drug industry are the ones typically involved in organised crime. The costs to the general population in the US include $2.5 billion per year for intensive care for 'crack babies' and the price that some users pay is the suffering associated with AIDS. The users who become addicted to the drugs often need to resort to such crimes as theft, sometimes violent theft, to support their addiction. Such crime, and even the threat of such crime, makes for great insecurity in a community. The adverse effects of the drug industry impede the satisfaction of many preferences of many throughout the First World, including addicts and nonaddicts. George thinks that a realistic approach to the drug problem, including its adverse effects on First World communities, needs to address a number of different issues, including the social structure

---

12 The preference satisfaction of future generations is something that Hare mentions but does not address in detail (Hare 1978, p. 127). He does, however, think that the satisfaction of future preferences carries equal moral weight to the satisfaction of present preferences (Hare 1981, pp. 100 f.). He holds this interpersonally and intrapersonally. It would seem then that, for Hare, the preferences of future generations are of equal weight to the preferences of present generations. Some problems of unpredictability arise, however, which make 'calculations' difficult. Even so, there is a strong prima facie case for thinking that future generations would prefer that the present generation preserve the environment.
within First World communities. However, she says, "nothing can be accomplished until the deadly debt-drugs link is severed" (George 1992, p. 62). George's 3-D solution aims at making indebted drug-producing counties more self-reliant and less dependent on the production of drugs.

Third, governments in the First World are bailing out the banks for so-called 'bad debts' from Third World countries (George 1992, pp. 63 ff.). So, ordinary people in the First World are paying, in the form of tax concessions, for the banks' 'mistakes'. According to George, most people are unaware that their taxes are being used in such ways. It is reasonable to expect that people in the First World would prefer their taxes spent differently (this may explain why First World tax payers are not informed that their taxes are used in this way). According to George: "There is nothing banks hate more than having the public see that it is 'bailing them out'—because there is nothing the public/taxpayer hates more! That, however is precisely what is happening" (George 1992, p. 65). George's 3-D solution aims at controlling the way banks benefit from profits while they are at the same time 'bailed out' by taxpayers for their bad debts. "Help to any banks, large or small, ought to be accompanied by an equivalent popular control over the profits. Such help could, for example, be tied to better terms for farmers, small business, etc." (George 1989, p. 259). In this way, George's aim of making banks more accountable would assist in satisfying the preferences of ordinary people in the First World such as the farmers and the taxpayers.
Fourth, the Third World debt crisis has resulted in the loss of jobs in the First World as imported First World goods have become unaffordable for ordinary people in the Third World and some items traditionally produced in the First World are being produced in the Third World. George's 3-D solution, however, would encourage and enhance the opportunities for the unemployed in the First World to get jobs. This would work in two ways. On the one hand, George's proposal includes a move for the Third World away from cash-crop export-orientated economics. This would give those in the First World an opportunity to produce once again those products that they traditionally produced. On the other hand, there would be some items of which those in the Third World would be in need, such as farming equipment, which are typically produced in the First World. This would give further employment opportunities for those in the First World. So, in respect of the preference for employment, common in the First World, an application of George's 3-D solution would also contribute to the preference satisfaction of many in the First World.

Fifth, the Third World debt crisis and the effects of the subsequent IMF adjustment programs have made life so unbearable for many in the Third World that they have fled their countries. This has effectively increased the number of immigrants and refugees, putting more pressure on the First World to accommodate them. For the people in the First World, this often means racial tension, including violent clashes. George maintains that there is a need to make immigration less necessary; otherwise "clashes in the North are likely to become not only more frequent
but far uglier" (George 1992, p. 112). By implementing the proposals of the 3-D solution, conditions in the Third World are likely to be such that there would be less need to emigrate from the Third World. Also, immigrants from the First World often compete with the workers in the First World for jobs. Not only does this create racial tension among the workers, but it also means that jobs that would otherwise go to First World workers are going to the immigrants. Once again, more preferences all round would seem satisfied by the application of George's 3-D solution.

The final boomerang effect that George discusses is the threat of war that results from the debt crisis (1992, pp. 136 ff.). Military spending and debt accumulation are inseparable. The military spending and associated debt applies not only to the Third World. Military spending accounts for a large part of the debt of the US. A solution, such as George's proposed 3-D solution, which includes the use of resources to meet people's basic needs, requires at least a reduction in military spending. As the recent example of the Gulf War shows, the threat of war is a threat that can be realised. The costs of that war were very high indeed—not only to the people in the Third World but also to ordinary people in the First World, which is evident from the casualties among First World combatants and the costs to First World taxpayers. Insofar as an application of George's 3-D solution would reduce the threat of war that results from the debt crisis, it would obviously promote preference satisfaction among many in the First World—and in the Third World.

---

13See my Ch. 2, the section 'Why Third World Debt is Such a Problem', subsection, '(iii) The Debt Boomerang'.
(b) The lenders and preferences in the First World

George's 3-D solution proposes a *renegotiation* of debt repayment and contrasts with any recommendation simply to cancel the debt, in whole or in part. It has to be remembered that George opposes both unconditional and partial *cancellation* of the debt.\(^{14}\) Her proposal is for 'creative reimbursement'. What can we say about George's 3-D solution in relation to the preferences of the First World lenders—the banks, bankers and financial institutions of the First World? I think the following is a plausible claim. No doubt many First World lenders currently favour the repayment of Third World debt under existing arrangements. However, there are strong reasons for First World leaders to favour George's 3-D solution (and its supplements) over existing arrangements and some of them could be expected to change their current preferences upon reflection on George's proposal.\(^{15}\)

First, the lenders, if they are to be consistent with their own public 'rhetoric', ought to welcome the democratising element in the 3-D solution. George explicitly makes this point (George 1989, p. 252). The debt crisis gives First World institutions an opportunity to spread democracy in the Third World.

Second, George's 3-D solution aims at keeping countries of the Third World *within* the world economic system as trading partners. So, George thinks the 3-D solution has prudential value for the First World—she thinks, for example, that this is the only feasible way to

---

\(^{14}\) See my Chapter 2, the section, 'George's Reasons Against Unconditional Cancellation or Repudiation'.

\(^{15}\) In any case, the preferences of the lenders is only a small subset of the preferences of all affected parties.
prevent Africa from withdrawing from the world system. "Unless creditors want Africa to slide off the world map, they should adopt creative reimbursement and the 3-D scenario....Everyone would gain as, little by little, they became more prosperous and paying customers" (George 1989, pp. 246 f.). First World lenders presumably would prefer to keep countries of the Third World like Africa within the world economic system as trading partners.

Third, George thinks that, in time, countries which redeveloped in accordance with her 3-D solution (and its supplements) would not only be more egalitarian and democratic, they would be more economically viable, and so better trading partners in the world economic system. If this is correct, as seems plausible, this is another reason why First World lenders ought to welcome George's proposal over others. Her proposal, if applied, would turn the people of the Third World into better borrowers and better traders, somewhere down the track.

Fourth, First World lenders ought to welcome the goodwill that would be generated in the Third World by their preparedness to renegotiate the repayment of debt in terms of 'creative reimbursement'. Business typically likes and cultivates goodwill among prospective borrowers and traders.

Fifth, First World lenders typically value the bindingness of contracts. George's 3-D solution strikes a compromise that ought to be congenial to them. On the one hand, through renegotiation, it seeks to replace existing contracts for debt repayment. However, it
does not recommend that existing contracts simply be broken or ignored.\textsuperscript{16}

In sum, at least this much seems plausible about the attractiveness of George's solution to the lenders of money to the Third World. George's 3-D solution (and its supplements) should be more welcome to many First World lenders than several of the competing solutions—for example, unconditional cancellation or even maintaining existing IMF strategies. One could therefore reasonably expect at least some of the lenders who currently favour present arrangements for debt repayment to change their preferences, given suitable reflection on the benefits, including global economic benefits, of George's proposal.

\textsuperscript{16}It is worth remembering that George's approach to reimbursement is very concessional. Many contracts entered into between the First World and the Third World were not entered into freely and responsibly on both sides. For one thing, there was the coercive structural inequality between the First World and the Third World (Wilkins 1992, p. 173). Indeed Wilkins argues that, because of the disadvantaged position of the Third World, a model of mutually binding contracts that were freely entered into is inappropriate in assessing moral relations between the First World and the Third World in respect of debt repayment (Wilkins 1992, p. 179). Second, much of the Third World debt came about due to recklessness on behalf of both the bankers and borrowers. See Chapter 2, 'The Causes of Third World Debt', section iv, 'The money mongers'. I return to these issues in Ch. 6.

Peter Bauer, on the other hand, argues that favourable treatment towards debtors in the form of debt concessions—because of deterioration in the external economic environment—is patronising and insubstantial. "It is patronising because it implies that Third World governments can be expected to behave like children with little thought of the morrow, or pop stars who promptly spend all they earn....[and insubstantial because]....exports and export earnings of the debtors depend critically on the domestic conditions, especially government policies" (Bauer 1990, pp. 13 f.). In contrast to Wilkins and George, Bauer argues that debtor counties have a moral obligation to repay their debt. Bauer claims that "[f]avourable treatment of defaulting governments politicises life and also enables defaulters to continue with damaging, and destructive policies" (Bauer 1990, p. 16).
Conclusion

The aim of this chapter has been to consider George's 3-D solution to the Third World debt crisis in the light of Hare's theory of distributive justice. Hare offers a moderate egalitarian theory of substantial justice, the ultimate sanction of which is preference-utilitarian. Arguably, George's 3-D solution is egalitarian, though it is difficult to judge conclusively whether the solution is moderate-egalitarian in principle. In any case, Hare's own moderate egalitarianism is a relative substantial principle of justice. Moderate egalitarianism is a substantial principle of justice for a given society—like a Western liberal one—given all the relevant, contingent facts, including all such facts about actual preferences. Hare allows that, in other social groupings, preference-utility ultimately might sanction social arrangements other than moderate egalitarian ones.

The real issue therefore is the following. If George's egalitarian (possibly moderate egalitarian) 3-D solution were applied, would it best satisfy the preferences of all the parties affected—that is, those affected both in the Third and First Worlds? Given its egalitarian aspects, George's solution clearly would promote the satisfaction of many important preferences of the people of the Third World. However, it is arguable that, given its insistence on democratic values, the 3-D solution is insensitive to the preferences of some people in the Third World. These present preferences for nondemocratic socio-political arrangements could be outweighed by future preferences for democratic socio-political
arrangements and so justify the implementation of democratic institutions. However, it cannot be glibly assumed, as George perhaps does, that this is how all the relevant preferences would sum up.

In relation to the First World, I have developed an argument in two parts. First, given certain natural assumptions about people's preferences, it is plausible to suppose that George's 3-D solution would promote the preference satisfaction of many ordinary people in the First World who are adversely affected by the Third World debt crisis (those who are victims of the so-called 'debt boomerang'). Second, at least some First World lenders could be expected to come to prefer George's 3-D solution (and its supplements), upon reflection about its benefits, including its global economic benefits. In any event, the preferences of the lenders is only a small subset of the preferences of all affected parties.

In sum, George's 3-D solution looks promising on several counts as a just solution to the Third World debt crisis, from a preference-utilitarian perspective on justice like Hare's. There is, however, a legitimate concern about value imperialism, which is not easily resolved.
CHAPTER 5

ONORA O'NEILL'S THEORY OF JUSTICE

In this chapter, I outline Onora O'Neill's Kantian-inspired theory of justice. In Chapter 6, I assess George's 3-D solution in relation to this theory. O'Neill's theory (like Hare's) is applicable internationally and interculturally, which is essential to deliberation about just solutions to problems of Third World debt. A further promising feature of applying O'Neill's theory of justice to the Third World debt crisis is that she applies her own theory to a closely related topic, namely world hunger. O'Neill is also of interest because of her criticisms of utilitarianism (especially preference utilitarianism).

What O'Neill Takes To Be the Virtues of a Good Moral Theory

O'Neill argues for three requirements to which ethical reasoning about the public domain should aspire. These three requirements (discussed below) can be encapsulated in the following comprehensive requirement: relevant ethical theory must put forward principles which can be justified to relevant agents with varied moral starting points; but it must also incorporate critical ways of reasoning which assist moves beyond initial appraisals of problems faced (O'Neill 1986, pp. 49 ff.). In the light of
her three requirements, O'Neill assesses consequentialism, rights theory, and moral theory based on obligation and need (Kantian Theory).

O'Neill's project in her book *Faces of Hunger* is to articulate the major premises (ethical principles) that apply to problems of famine and world hunger—that is, premises or principles that meet her three standards. She does not set out to be definitive about the relevant minor premises (that is, all the relevant particular facts) (O'Neill 1986, 51 f.).

**O'Neill's Three Standards of Good Ethical Reasoning**

O'Neill's three standards relating to moral deliberation about problems of the public domain are constraints of practicality or action-guidingness. They are: (i) that there be an accurate, nonidealized account of agency that allows for a plurality of agents; (ii) that ethical reasoning be accessible but critical; and (iii) that ethical reasoning rely on ethical principles which have considerable power to resolve practical problems.

*(i) The first standard*

O'Neill's first standard requires that there be an accurate, nonidealized account of agency, which allows for the agency of institutions and collectives as well as the agency of individuals (O'Neill 1986, p. 49.).
One potential problem for social ethical theory is selective omission of many of the actual features of human reasoning and choice (abstraction). Another, which O'Neill takes more seriously, is the selective addition of features (like perfect rationality) which is inaccurate or misleading (idealization) (O'Neill 1986, pp. 29 f.). For O'Neill, ethical deliberation which introduces idealized conceptions of rationality is inappropriate for guiding human action since humans do not typically reason and make choices in an ideally rational way. Further, ethical deliberation which stems from an account of idealized agency will not be accessible to a variety of actual agents and so will not cross ideological and social boundaries (O'Neill 1986, p. 31).

Ethical reasoning in the public domain must acknowledge the variety of agents in the audience it addresses—instiutions and collectives, as well as individuals (O'Neill 1986, pp. 33 ff.). Moreover, it must take account of the limited capacities for understanding and action which characterise all such actual agents (O'Neill 1986, pp. 34 ff.). In the case of global hunger, reasoning has to apply not only to agents but to agencies, since individual action alone cannot solve the problem. In some cases the practices of institutions have a causal role in the problem (O'Neill 1986, pp. 35 ff.). Reasoning which is individualistic does not apply to the processes of decision-making of institutions.

A proper account of human agency should take into account that individuals have finite, socially and ideologically formed cognitive capacities, and powers of action that are limited and defined by social context (O'Neill 1986, p. 35). At the same time,
the ways agents and agencies differ must be taken into account. Agencies often have greater resistance to pressure, they can often articulate problems differently to individuals, and are more able to assimilate information (O'Neill 1986, p. 37). There are also some things that individuals can do only in the context of an institution. Individuals alone cannot "devalue a currency or irrigate a desert or have a debate on the best criteria for a soft loan policy. Individuals can only take part in such activities in appropriate social contexts" (O'Neill 1986, p. 38).

(ii) The second standard

O'Neill's second standard requires that ethical reasoning be accessible but critical. Ethical reasoning "should employ ethical and other categories which are or can be made accessible to the agents and agencies whose action is required, without being coopted by whatever ethical outlook is already established" (O'Neill 1986, p. 49).

For ethical deliberation to be action-guiding, it must be accessible to its audience so that the audience can see how it is relevant to them. Idealized accounts of human agency are not only inaccurate but often inaccessible to actual agents. O'Neill's standard of accessibility requires that practical moral reasoning use categories that are familiar to the relevant agents and agencies (O'Neill 1986, p. 28). Accounts of agency may be inaccessible to collectives and institutions when the reasoning is based on accounts of individual agency. Further, for ethical deliberation to be accessible, it must take account of the limited capacities of the
agents and agencies it addresses, such as finite rationality and finite powers of action.

At the same time, ethical reasoning should not assume existing frameworks which define problems and their solutions. In this way, ethical deliberation must be critical. O'Neill cites a number of criticisms of the policies of institutions such as the IMF, the World Bank and transnational companies (O'Neill 1986, p. 36). The problem in dealing with development strategies for such institutions, according to O'Neill, is that their view of agency is built around the principles that constitute their charter and mandate. Because of this they are unable to take a critical perspective of human agency.

However, inherent dangers of conservatism attach to the accessibility requirement: restrictions to familiar categories may tie ethical reasoning to local and other restricted views (O'Neill 1986, pp. 28 & 39 f.). In order for practical reasoning to be accessible, it must use whatever categories (ethical or otherwise) are established in the modes of discourse of each agent or agency; so, it must be local, contextual and possibly sectorial\(^1\) (O'Neill 1986, pp. 38 ff.). However, by tying ethical deliberation to local and established categories, there is a potential for it not to be critical of established perceptions of problems (minor premises) and established ethical theories or principles (major premises) (O'Neill 1986, p. 28).

According to O'Neill, "[t]wo steps are needed to prevent practical reasoning from becoming hostage to established and

\(^1\)O'Neill goes on to argue that moral reasoning need not be sectorial. See my last comment, this section.
establishment views of how situations should be construed and problems remedied. First, plausible ethical *principles* must be identified and shown to be both able to guide action and accessible to the relevant audiences, and yet more than projections of locally established categories and discourse. Secondly, the *particular descriptions and appraisals of actual situations* invoked—the minor premises of ethical reasoning—must also be shown accessible to whatever audiences the reasoning addresses, and yet more than the preferred perspectives of local outlook" (O'Neill 1986, p. 43, emphasis original). Reasoning may be accessible if it uses vocabulary that the relevant agents and agencies can come to understand and see as salient and important. Such practical reasoning—reasoning which is at once accessible and critical—is both *ethical* and *political* (O'Neill 1986, p. 45, emphasis original).

According to O'Neill, there is a special problem of accessibility in the case of moral reasoning. Moral reasoning is in various ways disanalogous to other sorts of reasoning. The specific social and ideological context is usually clear in other sorts of reasoning. Legal reasoning takes place in the context of crimes, courts and juries, with principles in the form of laws and rules. The relevant agents and their roles are determined. Commercial reasoning takes place in the context of opportunities to buy, sell, work and invest, with principles such as contracts and bargaining. The relevant agents

---

2 For reasoning to be practical, more than the ethical categories need to be accessible to the agents and agencies. There is also a need for some method of choosing which is the preferred description of a particular situation. "An adequate account of reasoning that can guide action must include not only principles of action (the major premises) but an account of judgement which explains why particular situations should be grasped under one rather than another possible description (the minor premises)" (O'Neill 1986, p. 29).
and agencies and their roles are determined within a context. In the case of ethical problems and their possible solutions, there is no shared institutional or ideological context. Moral reasoning which addresses the issues of famine and endemic hunger has to be accessible to a variety of agents and agencies which cross ideological and social boundaries (O'Neill 1986, p. 31).

In order adequately to address problems like famine and world hunger, relevant ethical reasoning must be accessible to a variety of agencies as well as agents. However, as well as being accessible, ethical reasoning must be able to be critical of existing construals of problems (O'Neill 1986, pp. 35 f.). So, while ethical reasoning must be connected with the various 'moral starting points' of the agents and agencies it addresses, "it may also transform both the principles and the perceptions of particular situations which constitute that starting point" (O'Neill 1986, p. 41). What enables such communication and transformation is that radical conceptual incommensurability is implausible (O'Neill 1986, pp. 41 f. & 45 ff.). That communication and transformation is possible gives O'Neill reason to claim that ethical reasoning need not be sectorial.

(iii) The third standard

O'Neill's third standard requires that ethical reasoning should operate with "ethical principles which have considerable—not necessarily algorithmic—power to resolve dilemmas" (O'Neill 1986, p. 49).
The issue here is action-guidingness. O'Neill puts the matter this way: "Reasoning which is fully practical must also be able to guide action. The underlying, major premises...must combine with appropriate minor premises...to provide reasons for some rather than other policies or actions to be pursued or avoided by particular agents and agencies. Reasoning which is not in any way action-guiding just is not practical reasoning. It provides no principles by which actual deliberation can lead to judgements about actions or policies" (O'Neill 1986, p. 47). However, the requirement on ethical principles (combined with relevant minor premises) that they be action-guiding (provide reasons for action) need not amount to the requirement that such principles provide a practical algorithm (O'Neill 1986, p. 48).

The algorithmic nature of consequentialism is meant to make it precise in its action-guidingness. However, in practice, due to the incompleteness and imprecision of the available information, consequentialism can, and often does, fail to guide action (I discuss this in the next section). O'Neill points out that algorithms are not needed to guide action and that a decision theory that offers a test which indicates which actions are obligatory and which are forbidden may be sufficiently action-guiding. O'Neill maintains that a Kantian-inspired ethic can be action-guiding in this way. (I discuss this in a later section.)
O'Neill on the Virtues and Vices of Consequentialism

In her discussion of consequentialism, O'Neill focuses on utilitarianism—particularly preference-utilitarianism of the sort defended by Hare. O'Neill maintains that utilitarianism fully meets only her first standard of ethical reasoning and so does not fare well as an adequate moral theory, especially for deliberating on ethical issues such as world hunger.

(i) Virtues of consequentialism

According to O'Neill, consequentialism has at least four virtues. One virtue is that consequentialist reasoning has obvious relevance to practical issues like famine, hunger and poverty: "Consequentialist patterns of ethical reasoning offer evident advantages for discussing both famine and persistent poverty and hunger. Since the results of whatever is done—or not done—are evidently grave here, reasoning which centres on results seem to the point" (O'Neill 1986, p. 52).

A second virtue of consequentialism, according to O'Neill, is that consequentialism "is not tied to a stringent or narrow account of agency" (O'Neill 1986, p. 53; cf. O'Neill's first standard of adequacy for a moral theory). A third virtue concerns accessibility. Aspects of consequentialist reasoning are accessible for many agents and social agencies (O'Neill 1986, p. 53; cf. O'Neill's second standard of adequacy for a moral theory). A fourth virtue of consequentialist reasoning is that it has a powerful decision-procedure for settling questions of what action is right to do (O'Neill

According to O'Neill, while these four aspects of consequentialist reasoning at first seem promising with respect to consequentialism's being an adequate moral theory, closer reflection shows that in many ways consequentialism falls short of being an adequate moral theory. The only standard of adequacy it seems fully to meet is the first standard, the requirement of a nonidealized account of agency which applies to individuals and collectives.

**(ii) Vices of Consequentialism**

In the abstract, consequentialist reasoning begins with the idea that action is right if it leads to good consequences. However, O'Neill claims that there are at least four additions which are indispensable for consequentialist deliberation: First, some account of what makes results good is needed. O'Neill claims that modern consequentialists typically give an empirical but subjective account of what makes actions good. She adds, further, that utilitarians tend to differ on what makes the results of actions good (O'Neill, 1986, pp. 54 f.).

Second, utilitarianism needs to be able to identify the possible courses of action available. Third, there is a need for enough causal knowledge, so that probable results of the available courses of action can be known with reasonable accuracy. Fourth, there needs to be clear account of the relationship between what is

---

3 It is at this point that O'Neill claims that most consequentialists are utilitarians. In her discussion of consequentialism it seems that she usually uses the terms consequentialist and utilitarian interchangeably.
good and what is right. Classical utilitarians hold that whichever action produces the best result is not only the best action but the one that it is obligatory. Other utilitarians, according to O'Neill, reject such maximising principles and consider also the distribution of good results. Other utilitarians again take account of agents cognitive or other capacities, or emphasize the minimising of disutility (O'Neill 1986, p. 55). O'Neill claims that these four additional features of consequentialist reasoning make it seem a powerful system of deliberation. However, what is noticeable is that there are widely diverse conclusions reached when consequentialists discuss practical issues like hunger and development. This can be illustrated by the divergence in the conclusions between Singer, Hardin and Jackson.

In his article 'Famine, Affluence and Morality', Peter Singer concludes that the rich, and even the moderately well-off, ought to give their surplus to the poor until they have reduced their standard of living to the point of marginal utility such that further giving would sacrifice 'something of comparable moral importance' (O'Neill 1986, p. 56). So, according to Singer, utilitarianism demands that the rich and the relatively well-off (which would include most of those living in First World countries) sacrifice a sizeable portion of their income.

Other consequentialists such as Garrett Hardin reach a very different conclusion on the issue of Third World aid. In his article, 'Lifeboat Ethics: The Case Against Helping the Poor', Hardin claims that gifts and aid given to the Third World are wrong on consequentialist grounds because they produce greater harm than
benefits in the long run. In brief, Hardin claims that feeding the poor now will result in the poor having more children; and so, in the future, there will be further suffering in that there will be more people to feed and eventually there will not be enough food to go around (O'Neill 1986, pp. 58 ff.).

Tony Jackson also argues that various forms of food aid are damaging to the recipients in the long run. In Against the Grain, Jackson argues that supplying free or subsidised food can damage the livelihood of the local farmers. Providing free or cheap food results in the local farmers not being able to compete in an already fragile economy (O'Neill 1986, pp. 61 f.).

In view of these diverse conclusions, O'Neill identifies two central difficulties for (utilitarian) consequentialism as an applied moral theory. These difficulties concern calculating benefits and reckoning consequences.

(a) Calculating benefits and O'Neill's third standard

In relation to calculating benefits there is, according to O'Neill, a problem of subjectivity. (Non-Benthamite) utilitarianism starts from a subjective account of value. Essentially, whether a result is a benefit or a harm depends on how it is seen by relevant subjects: on their actual desires or preferences (O'Neill 1986, pp. 64 f.).

The problem this generates is that it leaves "judgements of actual benefit and harm...large scope for subjective and impressionistic claims about what others would consider to be benefit or harm" (O'Neill 1986, p. 65). O'Neill charges that
utilitarians have often made unwarranted assumptions about what the poor would care about most. For example, such things as secure food supplies, shelter, clean water, education, medical services and other basic needs typically have been assumed to be uppermost concerns when precise information has been unavailable. Such assumptions, about what the poor care most about, however, have often been made by appeal to some other outlook than that of the poor themselves. O'Neill maintains that, if the actual preferences of the poor were looked at closely, one might often find that land, caste, tribe, traditional way of life and religious affiliations are valued more or as much as material needs. Acute needs ought to matter in utilitarian thinking only when they are perceived as harms by the sufferers (O'Neill 1986, p. 67).4

Theoretically, (utilitarian) consequentialism looks promising in respect of O'Neill's third standard. "As a pattern of thought, consequentialism promises both wide scope and precise resolution of problems." (O'Neill 1986, p. 62). However, O'Neill claims that, because of problems associated with the nonbiased identification of preferences, consequentialism is vulnerable, in its application, to high inaccuracies about which acts and policies would maximise

4O'Neill identifies a number of other problems that arise from starting with a subjective account of value. Obligations, which depend on optimal outcomes, change because desires and preferences change. Also there is no way of being critical of whatever desires or preferences someone has. Altruistic, selfish and vindictive desires are to be weighed equally (O'Neill 1986, pp. 67 f.). Barbaric courses of action can only be judged wrong if there is an alternative course of action which will lead to greater satisfaction of actual preferences. There is also a tendency in utilitarian thinking to ignore present preferences. This is because the scope of utilitarianism includes all preferences, including future preferences. Future preferences include the future preferences of those immediately affected by some course of action and of those to be born. Given all the preferences to be weighed in calculation, all present preferences are likely to be outweighed by future preferences.
aggregate benefit (O'Neill 1986, p. 69). So, on O'Neill's account, one conspicuous defect of consequentialism is that it falls short of her third standard for a good moral theory.

(b) Reckoning the consequences and O'Neill's second standard

O'Neill thinks that utilitarian consequentialism, when applied to problems like hunger, famine and development, cannot measure up in relation to her second standard of *accessibility with critical power*: "utilitarian ethical reasoning must either be abstract and inaccessible—or accessible but uncritical of established and establishment grids of categories" (O'Neill 1986, p. 78).

The problem here is another aspect of the problem of subjectivity. Preference utilitarianism is committed to construing benefit and harm in terms of the preferences of those affected (how those affected see things). This commitment to the points of view of those affected also makes such consequentialism liable to be restricted to how those affected identify ethical problems and reckon the consequences of alternative lines of action and policies (O'Neill 1986, pp. 71 f.). What consequentialism needs is (i) accurate, perspectiveless empirical and causal knowledge (supplied by an objective social science) and (ii) such knowledge to remain accessible to the affected parties (O'Neill 1986, pp. 72 f.). Both of these conditions, O'Neill claims, are demanding.

Consider her second, accessibility condition. Much consequentialist reasoning on practical problems is conducted within the constraints of established categories, perceptions and values. Possible courses of action and policies are evaluated in
Institutions are not responsive to consequential reasoning in general, but to consequentialist reasoning that fits their working practices and mandate. For example, if a development loan is to be evaluated in consequentialist terms it will be judged and assessed under specific headings, to see whether this proposed use of funds is indeed optimal (or at least better than other proposed uses) in terms of a limited grid of categories which are embodied in the working practices of a particular institution. In some cases these may be purely commercial criteria—How secure is the loan? Will it be repaid? What rate of interest can be negotiated? Consequentialist reasoning of this sort is hardly to be thought of as ethical reasoning, since the conception of benefit used is that of commercial advantage to the loan making institution (O'Neill 1986, p. 74).

O'Neill points out that the categories used by institutions vary and are not always restricted to considerations of profit. Her point, however, is that consequentialist reasoning is conducted within constraints. Such constraints enable some sorts of considerations rather than others to be accessible to those whose action may make a difference. In the process of consequentialist reasoning, policies are made which lose focus on the central issue. Accessible ethical reasoning must reach actual agents whose perceptions of problems,
possibilities for action and knowledge of causes will be restricted. So, accessible reasoning becomes tied to the status quo, and unable to be critical (O'Neill, 1986, p. 78).

Consider next the need utilitarianism has for accurate, perspectiveless, empirical and causal knowledge. There are several issues here. First, it is indeed questionable whether expert neutrality is possible. What is needed here is not just motivational neutrality, but also cognitive neutrality. If experts cannot secure cognitive neutrality then they will be confined to established categories of thought (O'Neill 1986, pp. 83 f.). Second, there is the issue of whether there could be expert neutral advice about instrumental reasoning, which was conducted in a language that was universally or widely accessible (O'Neill 1986, pp. 84 ff.). O'Neill argues that such "instrumental reasoning unavoidably deploys one or another specific grid of categories which is partly alien to many agents and agencies whose action is needed" (O'Neill 1986, p. 86). It seems that such advice would be accessible only to the experts. So, if expert advice aims at global generalizations, it is accessible only to the community of experts—or, if it restricts itself to agents' categories (as in interpretive or hermeneutic approaches to social inquiry), it will have only local accessibility (O'Neill 1986, pp. 87 f.).

Third, it might be suggested that the neutral idiom of social science could be spread, and so accessibility increased (O'Neill 1986, p.88). O'Neill, however, disputes that any social science currently available in development studies can lay any plausible claim to value neutrality. A common example of this, which O'Neill
mentions, is the description of holdings as "property of some landowner who rents them to his tenants" (O'Neill 1986, p. 89). Such a description is not value-neutral, according to O'Neill, as it invites questions in relation to fair rental prices, but suppresses the question of whether any owner and rental relations are unjust. "From a utilitarian perspective it cannot be an ethically neutral matter to spread the categories and outlook of social science....Only if utilitarian thinking could provide reasons for spreading one rather than another group of social and ethical categories would it be reasonable to make utilitarian deliberation more widely accessible by spreading a common set of categories which can then underpin widely accessible instrumental reasoning" (O'Neill 1986, p. 91).

To sum up, utilitarianism needs both accurate, perspectiveless, empirical and causal knowledge and accessibility of that knowledge. Both requirements, however, are in conflict. Accessibility of ethical reasoning seems tied to perspectivity in ways that would render so-called neutral, expert empirical and causal advice largely inaccessible. And, in any event, such expert advice would not really be perspectiveless; it would be perspectival in a way that limited its accessibility to other experts. So it seems that utilitarian consequentialism cannot satisfy O'Neill's second standard for a good moral theory.5

5There is another problem which afflicts utilitarian consequentialism as an applied theory, when applied to large-scale problems. It places cognitive demands on us in respect of comprehensive instrumental calculations which standardly exceed what relevant information is available to us. This is because it requires "that the benefit of all available acts and policies be compared" (O'Neill 1986, p. 91, emphasis original).
(c) Justice

O'Neill maintains that the defects of utilitarianism spread to its accounts of justice, since any utilitarian account of justice is ultimately dependent on the Principle of Utility. Utilitarians "see the rules of justice simply as those rules of action whose breach is likely to have the worst results" (O'Neill 1986, p. 93). O'Neill criticises utilitarian justice on the same grounds as she criticises utilitarianism more generally. The utilitarian theory of justice "depends on an account of social science which is either resolutely bounded by currently established categories, so uncritical of them, or defiantly oblivious of those categories, so inaccessible to actual agents and agencies of social change" (O'Neill 1986, p. 95).

O'Neill's Favoured Moral Theory: Neo-Kantianism

O'Neill sets three standards for ethical reasoning about problems of the public domain. First, that there be an accurate, nonidealized account of agency, which allows for agential heterogeneity. Second, that ethical reasoning be accessible but critical. Third, that ethical reasoning should appeal to principles that have considerable power to resolve dilemmas, without necessarily being algorithmic.

---

6Sometimes the term 'neo-Kantianism' is used narrowly to characterise several philosophical movements in Germany in the late 19th and early 20th centuries. However, I use the term 'neo-Kantian' more broadly to identify the Kantian inspired nature of O'Neill's preferred moral theory. O'Neill claims that her proposed theory "is mainly Kantian in origin and in aspiration" but that it is also supplemented in some ways (O'Neill 1986, p. xiii).
(i) Neo-Kantianism and O'Neill's first standard

According to O'Neill, a neo-Kantian approach to ethical reasoning can accommodate agential heterogeneity. First, the Categorical Imperative, which imposes moral obligations on agents who are finitely rational and have limited powers of action, applies equally well to human institutions and collectivities as to human individuals. "Kant's theory of obligation is by definition a theory of principles of action for beings of limited rationality. Human beings are evidently finitely rational; but so are human institutions and collectivities. Since Kantian obligations are supposed to guide the action of agents with partial rather than idealized capacities to understand and to act, they may equally serve the deliberating of institutions and collectives with limited rationality and powers of action. If the Categorical Imperative is relevant for partially rational and autonomous beings, it can be made relevant for institutional and collective as well as for individual deliberation" (O'Neill 1986, p. 132).

Second, Kantian theory construes action as done on maxims or principles of action, and proposes, in the Categorical Imperative, that action be performed only on maxims that could also be adopted by others. Maxims, O'Neill suggests, are plausibly construed, not as introspectible, individual intentions, but as "the fundamental principles which guide actions, policies and practices, whether individual, institutional or collective" (O'Neill 1986, p. 132, emphasis original).
(ii) Neo-Kantianism and O'Neill's second standard

O'Neill's second constraint on applied ethical reasoning is that it be accessible but retain critical power. She argues that Kant-inspired ethical deliberation satisfies this constraint.

Such deliberation can avail itself of Kant's distinction between determinant and reflective judgement. Determinant judgements work out whether relatively abstract descriptions of situations and principles of action would be satisfied by particular cases. Reflective judgements determine whether or not particular cases, seen as falling under specific descriptions, would satisfy certain more abstract descriptions or principles (O'Neill 1986, p. 125). According to O'Neill, reflective and determinant judging standardly begins with locally established grids of categories. However, they do not need to be limited by established categories. "Just as Socrates and his friends found themselves probing and questioning a view of justice that was established in Athens, so we can ask whether a proposed account of what it takes to live up to some abstract principle of justice or beneficence is adequate in a given context, and (if it is not) can hunt for a better account" (O'Neill 1986, p. 126).

O'Neill defends Kantian ethics against the charge that it is too abstract to be accessible and so guide action. It is true that Kantian ethics is characterised by its commitment to the Categorical Imperative, the 'supreme principle of practical reasoning'. But, O'Neill argues, the Categorical Imperative is where practical deliberation begins rather than ends. Kantian deliberation requires
as well the application and assessment of minor premises—particular maxims of action. The selection of such maxims invokes a critical use of local and contextual categories. This ensures the accessibility of such maxims. "No agent or agency can use the Categorical Imperative except by applying it to some maxim of action. All complete Kantian deliberation requires the minor premise of practical reasoning—the proposed maxim of action—to be formulated, and then critically assessed in terms of the Categorical Imperative. Agents and agencies select the minor premises of their deliberations partly by using the grid of categories that constitutes their local idiom and moral starting point, and partly by criticizing that specification of problems, allocations of problems and claims about available action in the light of wider considerations, including ethical principles" (O'Neill 1986, p. 134).

As opposed to result-oriented thinking (such as consequentialism) action-oriented reasoning (such as Kantian deliberation) is considerably less demanding and so more accessible. O'Neill claims that result-orientated thinking is either inescapably tied to established or establishment ethical categories or requires a value-neutral and scientific perspective which won't be widely accessible. All that is required in action-oriented reasoning, according to O'Neill, is "to assume that the agents and agencies in a particular context have a 'moral starting point'—the grid of categories of some outlook or milieu—which allows them to raise at least some questions whose answers may provide reasons for shifting the starting point" (O'Neill 1986, p. 127).
In sum, applied Kantian deliberation apparently meets O'Neill's second standard of ethical reasoning. It employs ethical and other categories which are accessible to actual agents and agencies; at the same time, it allows agents and agencies to be critical of their established views.

(iii) Neo-Kantianism and O'Neill's third standard

O'Neill's third constraint on applied ethical reasoning is that it should invoke principles that have considerable power to resolve dilemmas, without necessarily being algorithmic. Kantian deliberation, conducted in the light of the abstract Categorical Imperative, seeks to identify maxims which could not be universally shared—especially by beings of limited rationality and powers. The fundamental requirement of any Kantian theory of obligation is that one avoid acting on such unsharable maxims and that one act on the converse of nonsharable ones. According to O'Neill, nonsharable (i.e., nonuniversalizable) maxims, fall into two main groups. There are principles which justice must reject, including principles of coercion and principles of deceit, and principles which our wider, imperfect obligations must reject, including principles of disrespect, nonbeneficence and nondevelopment.

Correspondingly, Kant divides principles of obligation into two categories—principles for determining perfect duties and principles for determining imperfect duties. Perfect duties are actions which are required in order to avoid acting on fundamental principles which are nonuniversalizable without inconsistency—and are
nonuniversalizable on logical or conceptual grounds. Imperfect duties are actions which are required in order to avoid acting on fundamental principles which are nonuniversalizable on rational grounds because of the limited capacities and reliance on others of needy and finitely rational beings. For disembodied, mutually invulnerable rational beings, O'Neill claims, there might be no principles of imperfect duties. However, for mutually dependant and finitely rational beings, there is a need for some respect and help from others, and the development of some talents (O'Neill 1986, pp. 141 f. & pp. 159 ff.).

Kantian-style deliberation can in principle be made relevant to the deliberation of actual, non-idealized agents and agencies "provided that there are context-sensitive ways of specifying what it takes to conform to principles such as those of noncoercion and nondeception in the actual situations in which we find ourselves" (O'Neill 1986, p. 138). Kantian deliberation is not tied to any particular institutional or ideological form of what is right for all times and situations. It begins by showing which relatively abstract principles cannot in principle be acted on by all and so ought not to guide action. It can be extended to show which particular acts, policies or institutions are forbidden or obligatory in a given situation (O'Neill 1986, p. 136). Though such deliberation has considerable action-guiding power, it is not algorithmic. For

---

7For discussion of why coercion and deception are nonuniversalizable, see O'Neill, 1986, p. 139.
8The focus of this thesis is justice and so little attention is given here to the moral principles which dictate our imperfect duties. Suffice to say, Kantian imperfect duties are selective obligations. An imperfect duty like beneficence is, on the Kantian schema, less fundamental than justice (O'Neill 1986, pp. 160 ff.). See below for more discussion.
one, it does not rank all possible actions—it is a decision procedure for detecting forbidden and obligatory action. Also, its deployment in particular contexts of action calls for nonmechanical judgement and sensitivity (O'Neill 1986, p. 136).

Noncoercion and Nondeception and the Centrality of Material Justice

According to O'Neill, the obligations of invulnerable rational beings would be exhausted by principles of justice. Human vulnerability and insufficiency account for the principles of imperfect duties. However, in the case of vulnerable, rational beings such as human agents, even principles of justice must centrally take account of material needs (O'Neill 1968, p. 140 f., emphasis original). Embodied humans have material needs which are vulnerable to intervention and to damage. They can therefore be coerced in ways which disembodied beings cannot. Embodied human beings also have "limited, perspective knowledge—they comprehend their world through limited grids of categories". This contingent human condition renders them "vulnerable to many forms of deception that would not affect ideally rational or disembodied beings" (O'Neill 1986, pp. 140 f.). Any just global order, according to O'Neill, must at least provide for the basic material needs without which human beings "are overwhelmingly vulnerable to coercion and deception" (O'Neill 1986, p. 141).

---

9O'Neill points out that there may be occasions when "a fundamental commitment to noncoercion might require action which in subsidiary respects was coercive or deceptive" (O'Neill 1986, p. 139, emphasis original; see also p. 158).
O'Neill maintains that the moral theory that she is sponsoring can yield detailed recommendations and proposals for action, but that these will vary with context. In general terms, justice requires "public institutions and policies which secure freedom from deep forms of coercion and deception" (O'Neill 1986, p. 146). O'Neill claims that there is a need for change in the present international economic order as it is "patently an institutional structure whose normal operation does not eliminate coercion or deception but often institutionalises them" (O'Neill 1986, p. 145). In this way, the present international economic order is unjust. Justice requires institutional conditions which systematically meet the material needs of the poor, thus helping to ensure their freedom from fundamental coercion and deception. Though it is her focus, material justice is not the whole of justice. Complete Kantian justice, according to O'Neill, would also require that social and political life among the poor be organised in ways that avoid fundamental coercion and deception (O'Neill 1986, p. 154). O'Neill further adds that in an unjust and needy world there is both more opportunity and greater need for the fulfilment of imperfect duties, such as respect and the developing of required skills and talents (O'Neill 1986, p. 146).

Kantian ethics of the kind sponsored by O'Neill is revisionary because it is concerned with fundamental principles. An action which is in accordance with some institutional framework such as

---

10 Elsewhere in her writings, O'Neill refers to the principles of justice as including at least principles of nondeception and nonvictimisation. Principles of victimisation include principles of coercion and principles of violence. O'Neill maintains that victimisation damages the agency of some others (O'Neill 1992, pp. 64 ff.).
commercial bargaining might still be fundamentally coercive. Negotiations which adhere to principles of standard commercial categories may still be fundamentally coercive. While such categories might not coerce ideally rational or materially self-sufficient beings, they may be coercive when one party is representing people whose needs are desperate. According to O'Neill "[n]egotiators coerce unless they leave opening for others, however desperate their actual circumstances, to refuse as well as accept their offer" (O'Neill 1986, p. 147). When people accept the conditions of an offer because they are too poor or vulnerable to refuse then the offer is exploitative and coercive. In such cases, there is a need for a revised 'moral starting point' which makes noncoercion and nondeception fundamental. While some contemporary economic and democratic political institutions have supposed barriers which are meant to prevent coercion and deception, they often fall short or being genuinely noncoercive or nondeceptive. O'Neill maintains that "[i]f the context and the content of individual decisions is determined by social and economic structures which even sometimes rely on others’ need in order to secure 'consent' or 'agreement', these arrangements may be fundamentally coercive and deceptive" (O'Neill 1986, p. 148).

O'Neill outlines what she claims to be some important features of a just material world. First, a just economic order must provide

---

11 O'Neill claims that "justice requires that institutions, like acts, allows those on the receiving end, even if frail and dependant, to refuse or renegotiate any variable aspects of the roles and tasks assigned to them" (O'Neill 1992, p. 68). She adds further that more is required in order to be just to those who are vulnerable to deception or victimization.

12 O'Neill points out that principles of justice in times of abundance may differ to principles of justice in times of scarcity.
for the production of the material goods which are needed to meet the material needs of humans. Secondly, sustained production must be provided for since material needs are recurrent. This means that the means for future reproduction must be made available and that environmental damage or degradation must be avoided to secure the possibility of a just economic order in the future. Thirdly, "a just set of institutions must secure a distribution which meets autonomy-destroying needs. Since human beings are rarely self-sufficient in material respects, and vary in productive capacity and opportunity, a just distribution is not likely to arise spontaneously from an adequate organisation of production" (O'Neill 1986, p. 150). O'Neill adds that ideal-typical capitalist institutions may fail these criteria because they provide no guarantee that distribution will meet needs, and that ideal-typical socialist institutions may fail these criteria because they provide no guarantee that production will meet needs.

O'Neill claims that a Kantian conception of material justice can be used to provide direction for the debate of international politics and economical arrangements. "It can offer reasons for rejecting any account of the problems of world hunger, their allocation and their remedy, which merely mirrors existing economic or power relations, or which would be appropriate only for idealized agents with limitless capacities and no unmet needs" (O'Neill 1986, p. 151). Some examples of current economic categories which could be rejected are: transfers referred to as 'aid', which implies that the transfer was not required by justice; and the term 'loan' which implies that the receivers may justly be required to repay with
interest. It is clear that such matters could be differently understood. On an intranational scale, even in capitalistic societies, transfer payments in the form of taxation are not usually thought of as 'aid' or as 'gifts' but rather as a form of just redistribution.

O'Neill maintains that the implementation of international justice affords "innumerable contexts of action" (O'Neill 1986, p. 152). She comments that those "who contribute to economic or social life in any way from manufacturing to education, from journalists to government service, or from professional service to activity in the women's or trade union movement, have opportunities to advocate and further conceptual, institutional and legal forms that reduce the power and acceptance of unjust arrangements" (O'Neill 1986, p. 152). While such agents and agencies may be able to act in more or less direct ways in progressing towards global material justice, there are many indirect ways that agents can contribute to material justice. O'Neill claims that indirect action "by means of education, publicity, normal 'political' involvement and maintaining a clear and public commitment to standards of justice may produce enormous changes" (O'Neill 1986, p. 153) to levels of material justice.

**Justice and Imperfect Duties**

According to O'Neill, a Kantianly just world is one which has its economic, social and political structures based on universalizable principles. However, a world which was merely just would not be sufficient for needy beings to reach their full potentiality. Because
of their limited capacities, human beings need the help of others and could not rationally will for principles of perfect duty only. "Since actual human beings are not self-sufficient, they (unlike idealized rational beings) could never rationally seek a merely just society" (O'Neill 1986, p. 159).

O'Neill maintains that under conditions such as those that obtain at present, where international institutional structures are far from just, "imperfect duty may be the only, if incomplete, response to human needs" (O'Neill 1986, p. 160). For example, action which supports famine relief and development work may often be a good way to fulfil one's imperfect obligations of respect and beneficence, especially when needs are unmet because of unjust political structures. In circumstances of injustice, where people are vulnerable to exploitation, coercion and deception, O'Neill recommends efforts which "aim to improve literacy, health, farming, or other technical skills, or to foster autonomy or self-help" (O'Neill 1986, p. 160).

O'Neill emphasises that imperfect duties are selective obligations which are subordinate to and supplement the demands of justice. "Justice is the more fundamental obligation because it

---

13O'Neill also points out that in some societies women (wives and daughters) are especially vulnerable because they often have little control of resources but have heavy commitments to meet others' needs. "Where women are isolated, secluded, bared from education or wage earning, or have access to information only via the filter of more powerful family members, their judgement is weakened and their independence stunted" (O'Neill 1992, pp. 70 f.). This gives reason to focus one's efforts on empowering women so that they become less vulnerable.

14O'Neill comments: "Kantian imperfect duties are selective obligations. A fundamental maxim of neglecting neither respect nor needed help, nor the development of talents and other capacities, cannot be expressed in a policy of meeting all needs or developing all talents.....The selectivity of beneficence and of the development of talents is unavoidable given the unlimited sorts of
concerns the framework of institutions and practices which form the context of action and make certain problems salient, certain solutions possible and certain modes of thought available" (O'Neill 1986, p. 161). O'Neill thinks that a serious commitment to beneficent action requires a commitment to material justice and so to the political change of unjust institutions.

**Conclusion**

In this chapter, I have outlined what O'Neill takes to be the requirements on ethical reasoning about the public domain and why she favours a revised version of Kantian moral theory. I have paid special attention to what O'Neill sees as the defects of consequentialism as a competing theory—especially the version Hare endorses, preference-utilitarianism. In the chapter that follows, I consider how well George's 3-D solution fares as a just solution to the Third World debt crisis, in the light of O'Neill's Kantian-inspired moral theory.

help and support that human action may need in various circumstances. Although Kantian beneficence and development require only that agents and agencies secure others' capacities for action, and not that they enable them to achieve specific plans or aims, they demand more than any agent or agency can secure for all others. This selectivity is not ethically offensive if imperfect obligations supplement and do not substitute for justice" (O'Neill 1986, pp. 161 f.).
In this chapter I discuss whether George's 3-D solution is a just solution in the light of O'Neill's theory of justice. My discussion falls into four sections. First, I discuss how the various features of George's proposed solution to the Third World debt crisis aim to meet people's material needs. Material needs play a central role in O'Neill's theory of justice. Second, one of O'Neill's primary principles of justice is the principle of noncoercion. In this section, I explore some significant accounts of the concept of coercion, locate these in relation to O'Neill's few clarificatory remarks about the concept, and discuss whether George's proposal is coercive. Third, imperfect duties also play an important role in O'Neill's moral theory more generally. In this section, I discuss whether George's proposal is conducive to the fulfilment of one's imperfect duties, as O'Neill conceives them. Finally, I discuss whether the various aspects of George's proposed 3-D solution are accessible to all affected parties, despite being revisionary. It will be remembered that O'Neill makes it a constraint on applied moral solutions that they be accessible to the affected parties, without being inherently conservative.
Material Needs

O'Neill maintains that moral reasoning must take the notions of obligation and need as central (O'Neill 1986, p. 49). Justice, according to O'Neill, requires that policies and institutions neither coerce nor deceive in fundamental ways. Human beings are especially vulnerable to deception and coercion if their material needs are not met. "The details of human justice must take account of the most basic needs that must be met if other human beings are not to be fundamentally deceived or coerced. Any just global order must at least meet standards of material justice and provide for the basic material needs in whose absence all human beings are overwhelmingly vulnerable to coercion and deception (O'Neill 1986, p. 141)." O'Neill maintains further that a just economic order must provide for the production of goods, the sustained production of goods, and the distribution of the goods, in a way which meets those needs required for autonomy (O'Neill 1986, pp. 149 ff.). Autonomous human action is dependent on the satisfaction of certain needs. When these needs are not met or are insecure, human autonomy is threatened and people are vulnerable to deception and coercion.

O'Neill's moral theory contrasts with other moral theories, such as utilitarianism, where actions are judged in terms of results produced. O'Neill's theory is also not rights-based. O'Neill claims

---

1 O'Neill points out that in circumstances of global scarcity it would not be possible to meet all material needs (O'Neill 1986, p. 149).
2 See my Ch. 5, the section 'Noncoercion and Nondeception and the Centrality of Material Justice'.
that rights-based theories *avoid* the question of agency.³ Rather, O'Neill's moral theory is an obligation-based theory, which makes "human autonomy (in its actual, partial forms) and human needs (in their actual pressing variety) central, and that provides an account both of justice and of beneficence" (O'Neill 1986, p. 142, emphasis original).

In assessing whether or not George's proposed solution to the Third World debt crisis is just on O'Neill's account of justice, it is important to see whether or not the 3-D solution includes in its aims at least the meeting of people's basic material needs.⁴ It is clear that George's proposed solution does have this among its central aims. According to George, her 3-D solution requires governments of Third World countries to "direct economic activity away from international markets and towards the satisfaction of their own people's real needs" (George 1989, p. 245). George maintains that "[a] more inner-directed economy would mean (for the least developed countries of Africa in particular) a strong agricultural sector as the basis for growth, providing both food crops and renewable sources of energy. The cornerstones of social policy would become primary health care, literacy, education and the empowering of women; all investments in the future. Available foreign exchange would be used to acquire capital goods and basic equipment—not to pay for debt service, arms or prestige items" (George 1989, p. 245). In the sections (i)-(iv) below, I indicate the

³See my Ch. 1, the section 'Rights', the subsection '(iii) Disadvantages of appeal to rights'.
⁴Of course, this is only a necessary condition for meeting O'Neill's standards of justice.
ways in which George's proposed solution to the Third World debt crisis seeks to meet people's basic material needs.

(i) Reimbursement in cash

As part of her 3-D solution, George proposes that each debtor government make regular payments into a national development fund. Unlike present arrangements under the IMF, the fund would be co-managed with authentic representatives from the civil society. This is meant to include representatives from the rural sector in proportion to their numbers. George includes rural representation in her proposal because, she maintains, under present arrangements the basic needs of people from rural areas are typically neglected. By being forced into the production of cash crops, for example, which are replacing traditional and more varied crops, rural people are missing out on their nutritional needs. Further, since the money they receive for their production of the crops is often low, and the prices for commodities that need to be imported often increase, it is also difficult for them to meet their other basic material needs.

Another important feature included in George's 3-D solution is that women, ethnic minorities and rural people are given fairer representation. Representation of women is important in meeting basic needs, especially in poor economic conditions, since women are often given the role and responsibility of providing for the needs of other dependants. In many cases, especially in poor economies, decision-making is often left in the hands of males, both at a grass roots level and at an executive level. According to O'Neill,
women are often relegated to, and subordinated within, a domestic sphere. "They are impoverished but often providers. They are powerless, yet others who are yet more vulnerable depend on them for protection" (O'Neill 1992, p. 51). To meet the basic needs of impoverished women and their dependants, representation in a way prescribed by George is much more favourable than present arrangements. In some cases, ethnic minorities and rural people are also marginalised since they can lack the opportunities to gain access to the political system. In many cases, those who are best able to identify the basic needs of a particular group are likely to be the members of the group. So, representation of women, ethnic minorities and rural people, as prescribed by George, is likely to be important in meeting people's basic needs. George's proposal then includes a shift from decision-making by the power elites to a more broadly based executive. Government participation in the decision-making of the broadly based development fund is included in George's proposal primarily to supply its own technical expertise.

With an emphasis on agriculture, renewable energy sources, health care, literacy and education as part of the 3-D solution, people's needs are more likely to be met under that solution than under present arrangements, which focus on an international market economy. This is so for present needs and also for foreseeable future needs, which rely on energy sources not being depleted and on education, which in various ways can lead to a

---

5While many basic needs, such as food, water and adequate medical care, are fixed, some basic needs are tied to particular cultures. For example, within Australian Aboriginal culture, the need for traditional land is a basic need because there are such strong spiritual associations with the land. 'Outsiders' are not likely to identify these culturally relative basic needs.
better understanding of problems faced and their possible solutions. Education also empowers people as it opens up more positions that would otherwise be left to the privileged few.

(ii) Reimbursement in kind

The aim of reimbursement in kind is to give recognition to, and remuneration for, past and future contributions of indigenous peoples to natural, material and cultural treasures, which are part of our common heritage. While not all the proposed initiatives George promotes here relate directly to the meeting of people's basic material needs, there are some that do, and the remuneration she has in mind for those working on such programs would also assist in meeting people's basic needs. As part of this initiative, ecological conservation and renewal play an important role, especially as the natural environment is being irrevocably destroyed under present arrangements. As mentioned earlier, ecological conservation and renewal are important in meeting present and future needs.

(iii) Latin American auxiliary measures

The first of George's proposed strategies, relating to Latin American debt, is to restrict purchases of foreign goods to those which are vital to development, such as fertilizers, food stuffs and machinery. Such a strategy is very much in line with the centrality that O'Neill attaches to meeting people's basic needs. First, it shifts the priorities within Latin American countries from the purchasing

6By 'natural environment' I simply mean that which "includes everything except man and what obviously bears the mark of man's handiwork" (Passmore 1974, p. 5).
of prestigious products to purchasing products that are likely to meet people's basic needs in the Third World. Second, the money generated in the First World is likely to benefit industrial suppliers and farmers there who, because of the debt crisis, have lost markets to the Third World. This would be of some help to ordinary people in the First World whose basic needs are also going unmet because they have become unemployed with markets lost to the Third World (George 1989, p. 256).

George's second and third proposed auxiliary strategies are to increase commodity prices and to return flight capital. By increasing commodity prices, there would be more opportunity for ordinary workers to receive higher pay which would then assist in making more affordable that which is required to meet basic material needs. Both these auxiliary strategies would, in effect, reduce the amount of money which leaves Latin American countries. This would free up governmental funds which could be used on such things as schooling and medical assistance (which the IMF often target with their adjustment programs).

(iv) Environmentalism

O'Neill maintains that sustained production must be provided for, since material needs are recurrent. This means that the means of future production must be made available and that environmental damage or degradation must be avoided to secure the possibility of a just economic order in the future. George's proposed 3-D solution would measure up favourably on this
requirement of O'Neill's, since George also emphasises the need for 'sustainable' production (O'Neill 1986, p. 149 f.).

As I indicated in Chapter 2, George illustrates how Third World debt contributes to global environmental destruction. As part of her 3-D solution, particularly in relation to reimbursement in kind, George prescribes that the debt crisis be used to curb environmental destruction.

First, George recommends the "collection, conservation and reproduction of genetic species and varieties (both animal and vegetable)" (George 1989, p. 250). Such an initiative would assist in the maintenance of bio-diversity of the environment, which is important to ecological sustainability. Furthermore, many botanic species, not yet explored, may hold keys in the future for meeting medical needs. George maintains that "[t]ropical forests are the great unexplored botanic frontiers: we simply have no idea what future foods and medicines they may contain" (George 1992, p. 22).

Second, remuneration for soil conservation and anti-erosion measures, which is part of George's proposal, is important since it allows people to work towards the sustainable production of crops. Under present arrangements, where there is a need to earn export dollars, agricultural techniques are geared towards short term gains which often irrevocably destroy fertile soils. Deforestation also plays a devastating role in the destruction of fertile soils, often converting bio-rich forests into deserts.

---

7See also George 1992, Ch. 1.
Third, George emphasises the need for reforestation, which is important in meeting future needs as it helps maintain biodiversity. Reforestation also plays an important role in recycling greenhouse gases such as carbon dioxide, which could otherwise produce global warming, an outcome which "would place unprecedented stresses on natural and social systems, precipitating major dislocations of agriculture, industry, and coastal areas while posing grave threats to species survival, human health, geographical stability, and so on" (George 1992, p. 6).

Fourth, George proposes that people in the Third World be remunerated for the "development of new bio-mass sources for energy purposes as an alternative to wood and charcoal...and as an alternative source of income for poor people" (George 1989, p. 250). Not only would this measure assist in meeting the needs of the poor directly by giving them access to affordable fuel, but it could allow for the regeneration of fuels. Such alternative energy sources could be sustained for future generations and these initiatives could be conducive to a reduction in the rate of deforestation. Another alternative to bio-mass energy sources has been nuclear power. Not only does nuclear power production come with the risk of nuclear disasters, it is not sustainable as it produces an increasing amount of toxic nuclear waste that cannot be stored safely.

Fifth, George's proposal includes the "development and improvement of wells and small-scale irrigation techniques" (George 1989, p. 250). Such initiatives assist in meeting people's

---

8One well-publicised nuclear disaster is the Chernobyl disaster, which caused radioactive contamination in a number of countries in Europe.
present needs by supplying them with clean water and allowing for the production of water to satisfy future needs. Small-scale irrigation normally comes at a lower environmental cost than large-scale irrigation. Indeed, in a recent visit to Australia, George criticised the large-scale irrigation and hydro-electric project proposed by the IMF in India.\textsuperscript{9} Not only are large-scale irrigation projects environmentally detrimental, they are costly and can put Third World countries further into debt.

In general, a primary focus of George's 3-D proposal is that the Third World move away from an export-oriented economy which imitates the West to one that has sustained production.

Coercion (and Deception)

So far I have been tracing the way in which George's 3-D solution gives a primary place to meeting people's basic material needs and thus accords with a central element in O'Neill's theory of social justice. In this section, I continue to examine whether George's proposed solution to the Third World debt crisis is just by O'Neill's standards.

Two main features of O'Neill's theory of justice are that principles on which people act ought not to be deceptive or coercive. There is no good reason to think that George's proposal

\textsuperscript{9}In 1994 George conducted a seminar as part of the Green Left Conference at UNSW, where she criticised the project. She also made some critical remarks on the matter in a subsequent interview with Kerry O'Brien on Late Line, ABC television. Her criticisms included both the displacement of people and the environmental impact.
relies on principles of deception. The charge of coercion, however, is less easily dismissed. George apparently does not see her proposal as coercive. She maintains that "[g]overnments would, however, have a choice. Those refusing democratic development could continue to service their debt in hard currency" (George 1989, p. 247). However, there is some reason to think that aspects of George's proposal are coercive; and I discuss these below.

Even though the concept of coercion plays a central role in her theory of justice, O'Neill does not give a full account of what she takes coercion to be. So it is difficult to make a safe assessment of whether O'Neill would see George's proposal as coercive. What I propose to do is to look at several important philosophical accounts of coercion in order to assess whether George's proposal could count as coercive. First, I will examine George's proposal in the light of Nozick's account of coercion. Nozick's account is the point of departure for much contemporary discussion of that notion. I will then examine George's proposal in the light of an account of coercion provided by one of Nozick's chief critics, Harry Frankfurt. Like Nozick and others, Frankfurt maintains that coercion compromises freedom of choice or action; but unlike most commentators, he thinks that the compromise must be total and that coercion entails compulsion. Third, I shall assemble the few clarificatory remarks O'Neill does make about coercion and locate these in relation to Nozick, Frankfurt, and some other commentators on coercion. I shall then assess George's proposal in the light of central ideas about coercion which emerge from this process.
Among the other commentators on coercion whom I shall consider, O'Neill's account is perhaps closest to that of Virginia Held.

(i) Nozick's account of coercion

In his article, 'Coercion', Nozick sets out the following necessary and sufficient conditions for 'core' or 'central' cases of coercion.

P coerces Q into not doing A if and only if:

(1) P threatens to bring about or have brought about some consequence if Q does A (and knows he's threatening to do this).

(2) A with this threatened consequence is rendered substantially less eligible as a course of conduct for Q than A was without the threatened consequence.

(3) Part of P's reason for deciding to bring about the consequence or have it brought about, if Q does A, is that P believes this consequence worsens Q's alternative of doing A (i.e. that P believes that this consequence worsens Q's alternative of doing A, or that Q would believe it does).

(4) Q does not do A.

(5) Part of Q's reason for not doing A is to avoid (or lessen the likelihood of) the consequence which P has threatened to bring about or have brought about.
(6) Q knows that P has threatened to do the something mentioned in (1), if he, Q, does A.

(7) Q believes that, and P believes that Q believes that, P's threatened consequence would leave Q worse off, having done A, than if Q didn't do A and P didn't bring about the consequence (Nozick 1969, pp. 141 ff.).

In this account of the conditions of coercion, the concept of threat plays a central role. Nozick distinguishes between threats and offers and illustrates the role threats play in coercion by means of the following examples:

(a) P is Q's usual supplier of drugs, and today when he comes to Q he says that he will not sell them to Q, as he normally does, for $20, but rather will give them to Q if and only if Q beats up a certain person.

(b) P is a stranger who has been observing Q, and knows that Q is a drug addict. Both know that Q's usual supplier of drugs was arrested this morning and that P had nothing to do with his arrest. P approaches Q and says that he will give Q drugs if and only if Q beats up a certain person (Nozick 1969, p. 447).

The two cases illustrate a principle about the difference between threats and offers. This threat versus offer principle is:

(TOP) If P intentionally changes the consequences of two actions A1 and A2 available to Q so as to lessen the desirability of the consequences of A1, and so as to increase the
desirability of the consequences of A2, and part of P's reason for acting as he does is to lessen and increase the desireabilities of the respective consequences then

(a) This resultant change predominantly involves a threat to Q if he does A1 if Q prefers doing the old A1 (without the worsened consequences) to doing the new A2 (with the improved consequences).

(b) This resultant change predominantly involves an offer to Q to do A2 if Q prefers doing the new A2 (with the improved consequences) to the old A1 (without the worsened consequences) (Nozick 1969, p. 449).

According to Nozick, the difference between threats and offers, as set out in this principle, explains why threats rather than offers are central to coercion. When P threatens Q, Q is normally unwilling that the change be made. By contrast when P makes Q an offer, Q is normally willing that the change be made (Nozick 1969, p. 449). Nozick maintains that it is in terms of such willingness or unwillingness to make the change that one can elucidate how threats rather than offers normally compromise freedom of choice or action.\textsuperscript{10} Normally, when Q does A because of a threat by P, Q

\textsuperscript{10} Nozick tries to elucidate his claim in terms of the normal dispositions of a partially described person—The Rational Man. Nozick calls the situation before a threat or offer is made, the prethreat or preoffer situation. He calls the situation after the threat or offer is made, the threat situation or the offer situation. Then he compares these choices:
(1) To move from the preoffer to the offer situation, and to do A in the offer situation;
(2) To move from the prethreat to the threat situation, and to do A in the threat situation.
The Rational Man is normally willing to make both choices in (1), whereas he would not be willing to make both choices in (2) (Nozick, 1969, pp. 461 f.).
(because he acts unwillingly) is subject to P's will—Q's action is not fully voluntary. By contrast, normally, when Q does A because of an offer from P, Q (because he acts willingly) is not subject to P's will—Q's action is fully voluntary (Nozick 1969, p. 459).

Nozick maintains that, whether a change is a threat or an offer depends on how it affects the normal or expected course of events. According to Nozick, it can be unclear whether a change is a threat or an offer because it can be unclear what the normal and expected course of events is (Nozick 1969, pp. 449 ff.). Consider the following example of such a case. Suppose that it is in P's power to save some promise keeping villain Q from drowning,\(^{11}\) and P knows that Q will go on to do monstrous things if rescued. Nonetheless P says to Q "I will take you in my boat and bring you to shore if and only if you first promise to pay me $10,000 within three days of reaching shore with my aid" (Nozick 1969, p. 449).\(^{12}\) In this case it is not clear what P is morally expected to do and so it is not clear whether P is making Q an offer or a threat.

Although, he maintains that threats are necessary for 'core' coercion, Nozick allows that some offers may be coercive. Nozick considers the following example: "Suppose that P knows that Q has committed a murder which the police are investigating, and knows of evidence sufficient to convict Q of this murder. P says to Q, 'If you give me $10,000 I will not turn over the information I have to

\(^{11}\)For the sake of the example, we need to suppose that Q is a villain who would go on to do monstrous things if rescued but that this villain has one redeeming feature, that he always keeps his promises, and P knows about this only redeeming feature of Q.

\(^{12}\)This example is an adaptation of an example given by Nozick. See Nozick 1969, pp. 449 ff.
the police" (Nozick 1969, pp. 452 f.). Nozick argues that this is an example of an offer since in the normal and expected course of events, the information about Q is turned over to the police. Nonetheless, Nozick is inclined to view this offer as coercive.

(ii) Nozick's account of coercion and George's 3-D solution

George's 3-D proposal consists of giving people an option of either complying with the measures of the IMF strategy or engaging in such strategies as reimbursement in cash, reimbursement in kind, and the supplementary proposals. Does George's proposal count, by Nozick's reckoning, as a coercive threat—or even coercive offer—to any of the affected interest groups in either the Third or First Worlds?

Ordinary people in the Third World. George's proposal might be viewed as a coercive threat (or even a coercive offer) on Nozick's account. Consider the following example from Nozick's discussion. "Suppose that usually a slave owner beats his slave each morning, for no reason connected with the slave's behaviour. Today he says to his slave, 'Tomorrow I will not beat you if and only if you now do A'" (Nozick 1969, p. 450). Nozick counts the proposal of the slave owner here as a threat because the normal and expected course of events, which is included as an option in the proposal, is worse than the morally expected course of events, and he clearly counts the

\[13\] Nozick concedes that it is an issue whether the example is a threat or an offer. He claims that "[o]ne is tempted to view this as a threat, and one is also tempted to view this as an offer. I attribute these conflicting temptations to the divergence between the normal course of events, in which the slave is beaten each morning, and the (morally) expected course of events, in which he is not. And I suggest that we have here a situation of a threat, and that here the morally expected course of events takes precedence over the normal
slave owner's threat as coercive because the slave himself would prefer the morally expected to the normal course of events (Nozick 1969, pp. 450 f., cf. 448 f.; 459 ff.).\(^{14}\) Consider, now, George's proposal. This arguably can be cast as a conditional of the form, 'If you don't comply with the 3-D solution then repay the debt in hard currency under the IMF strategies'. In the case of ordinary people in the Third World, the normal and expected course of events under the IMF strategies, which is included as an option in George's proposal, seems worse than the morally expected course of events.\(^{15}\) Considered in this light, George's proposal looks coercively threatening, in Nozick's terms.

*The power elites.* On George's account, the power elites (in both the Third World and the First World) may be reluctant to take up the initiatives of George's 3-D solution. After all, they have a lot to gain from the *status quo*. In cases where the power elites do not cooperate, George proposes that pressure be placed on such individuals, both externally and by the people from within the particular countries. It is very likely that such pressure would be *threatening* and *coercive*, in Nozick's terms. First, it threatens the power elites because were they not to comply (in the face of pressure from both within and without), they would lose out very badly, with respect to the normal (and perhaps even the morally

---

\(^{14}\) In case one counts the slave owner's proposal as an offer, Nozick apparently would count it as a coercive offer (Nozick 1969, p. 452).

\(^{15}\) Under the IMF strategies ordinary people in the Third World often suffer from undernourishment due to lack of food, have high mortality rates among infants, have low life-expectancies and endure widespread suffering brought about by poverty. See my Ch. 2, fn.4, and the section 'The IMF Solution to Third World Debt'. The morally expected course of events would include at least enough food for substantial nourishment.
expected) course of events. Second, it is coercive because the power elites would prefer the normal course of events, and not to move from the prethreat to the threat situation. However, it is noteworthy that this situation—coercively threatening the power elites—may still be just on O'Neill's theory of justice. For O'Neill, cases of coercion may be just if they spring from some principle of noncoercion. O'Neill maintains that "[s]ometimes a fundamental commitment to noncoercion might require action which in subsidiary respects was coercive or deceptive" (O'Neill 1986, p. 139). Furthermore, "in harsh circumstances lesser coercion might be the only way to avoid fundamental coercion" (O'Neill 1986, p. 158). A paradigm example of this would be coercing Hitler into not coercing the Jews. So, even if George's proposal counted as coercive in relation to the affected power elites, it would be fundamentally noncoercive and so arguably just for O'Neill (in case she conceded Nozick's account of coercion).

*Ordinary people in the First World.* George's proposal affects ordinary people in the First World. First World institutions would be countermanding the money owed to them by Third World countries. The money that ordinary people in the First World paid
in the form of taxes which went to the World Bank and the IMF, and that they invested in banks which loaned money to the Third World, would no longer be called on. As George remarks, First World "taxpayers will, one way or another, ultimately foot the bill of official debt reduction" (O'Neill 1992, p. 63). On the other hand, under George's proposal, the money that Third World countries were otherwise spending on debt repayments would be used to purchase basic imports such as "fertilizer, foodstuffs, pharmaceuticals, machine tools, spare parts, transportation and communications equipment, etc." (George 1989, p. 256). This would mean more jobs for ordinary people in the First World. George maintains that "[b]ecause of debt, farming and manufacturing have lost significant markets, just as those employed in these sectors have lost their jobs by the hundreds and thousands" (George 1992, p. 93).19

According to the scenario created by George, ordinary workers in the First World would have more to gain than to lose from the implementation of her 3-D proposal. Given that the money which returns to the First World would be spread between Northern industrial suppliers, farmers and the like, ordinary people in the First World are likely to reap the benefits from maintaining

18The point here is difficult to track and is contentious. Do ordinary people in the First World gain anything from the status quo? Even if there are some benefits from their governments lending money to Third World countries, and from the banks in which they have invested having as an asset the debt owed to them by the Third World, the overall effect of the debt crisis is to their detriment. I have given a more detailed account of how George sees the debt crisis as being to the disadvantage of ordinary people in the First World in Ch. 2, in the section 'Why Third World Debt is Such a Problem'. See also George 1992, pp. 63 ff.

19Again, George gives more detail as to how people in the First World are losing out because of the debt crisis in The Debt Boomerang.
jobs that are being lost under current arrangements (George 1989, p. 256; 1992, Ch. 4). There does not seem to be anything significant that ordinary workers in the First World would miss out on that they would receive in the normal or morally expected course of events. So, there does not seem to be any reason, on Nozick's account of coercion, to think that ordinary workers in the First World would be coerced, by threat or offer, into the 3-D solution. Rather, that solution seems to be simply an attractive offer to this interested group.

To sum up. In terms of Nozick's account of coercion, the assessment of George's 3-D solution—given the avoidance of coercion and the promotion of noncoercion as principles of justice—is somewhat mixed. Her proposal can be seen as involving a coercive threat (or perhaps even a coercive offer) to ordinary people in the Third World. Further, her proposal very likely does involve a coercive threat to the power elites in both the First and Third Worlds. However, from O'Neill's point of view, even if George's proposal is coercively threatening in certain aspects, it will not count as unjust if it is fundamentally noncoercive. Indeed, it may even count as just. Finally, in the case of ordinary people in the First World, George's 3-D solution is an attractive offer and not coercive.

The above assessment of George's 3-D solution utilises Nozick's conception of coercion. However, Nozick's conception of coercion has its critics. One important critic is Harry G. Frankfurt.20

---

20For Frankfurt's critical discussion of Nozick on threats, offers and coercion, see Frankfurt 1973, pp. 67 ff..
(iii) \textit{Frankfurt on coercion}

Frankfurt ties the notion of coercion to that of \textit{compulsion}. "A person who is coerced is \textit{compelled} to do what he does. He has \textit{no choice} but to do it" (Frankfurt 1973, p. 75). Frankfurt takes coercion to imply compulsion because he takes coercion to imply freedom from moral responsibility. Frankfurt's account of coercion is unusual in the way it ties coercion to compulsion.

According to Frankfurt's account of coercion, both offers and threats can be coercive. An offer is coercive "when the person who receives it is moved into compliance by a desire which is not only irresistible but which he would overcome if he could" (Frankfurt 1973, p. 80). In such a case, the person's will is overcome by a desire he wants not to have: "[h]e acts under a compulsion which violates his own desires" (Frankfurt 1973, p. 81).

For Frankfurt, a threat is coercive when the victim is moved against his will to comply with the threat by an irresistible desire to avoid what is being threatened. "A coercive threat, like a coercive offer, is only coercive because it also violates its victim's autonomy" (Frankfurt 1973, p. 81). When one is coerced by a threat, one's motive to comply with the threat is to prevent one's condition from worsening. By contrast, when one is coerced by an offer, one's motive to comply is to improve one's condition.

(iv) \textit{Frankfurt's account of coercion and George's proposal}

On Frankfurt's account of coercion, there is no good reason for thinking that ordinary people in the Third World or ordinary people
in the First World would be coerced into complying with George's proposal. George assumes that people have the open choice of participating in the programs set out in the 3-D solution or opting out and complying with the *status quo* (such as the IMF strategies); and it is just psychologically unrealistic to suppose *either* that any benefits on offer, in relation to the choice of whether to participate in the 3-D solution, are psychologically irresistible for ordinary people *or* that any penalties threatened in relation to this choice are such that the desire to avoid them is psychologically irresistible among ordinary folk.

Could it be argued that a coercive threat is being placed on the power elites who have an interest in maintaining the *status quo*? The will of the (reluctant) power elites would indeed be subjected, in some degree, to the will of those who implemented the strategies of the 3-D solution. George's proposal includes placing pressure on the power elites of the First World and the Third World to change their ways. It is unlikely, however, that this pressure, which presumably would amount at least to duress, would also count as coercion in Frankfurt's terms—in most cases, at any rate. Indeed, such pressure, even if compelling, might well be just, on O'Neill's theory of justice, because it would spring from a commitment to fundamental noncoercion.

(v) *O'Neill's conception of coercion*

O'Neill herself is not very forthcoming about how she understands the concept of coercion. In discussing why coercion is forbidden, O'Neill claims that coercion "pre-empts others' action; it
treats others as things or tools and exacts their compliance. The victims are not genuinely treated as agents, who would be able to consent to or to refuse the other's action" (O'Neill 1986, p. 139). So, central to O'Neill's conception of coercion is the idea that coercion radically undermines—even precludes—autonomous agency.

Further, it is clear that O'Neill thinks that offers can be coercive. She maintains that "[n]egotiators coerce unless they leave opening for others, however desperate their actual circumstances, to refuse as well as to accept their offer" (O'Neill 1986, p. 147). Needy beings may accept an offer that a self-sufficient and ideally rational agent would not. On O'Neill's view, bargainers who exploit this by making the needy an 'offer they could not refuse' are acting on a principle of coercion. Relying on "others' need in order to secure 'consent' or 'agreement'...may be fundamentally coercive" (O'Neill 1986, p. 148).

For O'Neill, actual context—especially in relation to vulnerability—is important in determining whether some action (or proposal) counts as coercive. O'Neill maintains that "[t]he most significant features of actual situations that must be taken into account in judgements of justice are the security or vulnerability that allow actual others to dissent from and to seek change in variable aspects of the arrangements which structure their lives" (O'Neill 1992, p. 73). So, in making any judgement on whether a proposal counts as unjust because it is coercive, the vulnerability of the recipient plays an important role. The more vulnerable a person is, the more care is needed in making a proposal that does not coerce. This is why O'Neill maintains that when judging
proposals "it demands more, not less, to be just to the vulnerable... [M]ore will be demanded when others are vulnerable than when they are secure and most when they are most vulnerable" (O'Neill 1992, p. 69, emphasis original).

It is also noteworthy that O'Neill apparently allows that physical circumstances can be coercive. For example, in her discussion of just population control measures, she speaks of widespread destitution and hunger as fundamentally coercive (O'Neill 1986, p. 158).

Finally, as indicated earlier, in discussing whether or not George's 3-D solution counts as just on O'Neill's theory of justice, it is important to assess whether that proposal is fundamentally coercive. For O'Neill, something may be coercive in some subsidiary respect and yet be consistent with justice because it is fundamentally noncoercive.21

(vi) O'Neill, Nozick and Frankfurt

How close to O'Neill's conception of coercion are Nozick's and Frankfurt's? Nozick's example of a putative non-coercive offer (by the stranger to the drug addict) is likely to count as coercive on O'Neill's theory. Offering to give drugs to a drug addict, on the condition that they beat up a certain person, exploits the addict's impaired capacity to resist. It seems that taking advantage of human vulnerability in this way would count as coercive for

21See my Ch. 5, fn. 9.
O’Neill. It seems irrelevant for her whether the example involves a threat or an offer.

Frankfurt’s account of coercion seems far too restrictive, by O’Neill’s lights. O’Neill argues that coercion impairs autonomy—even to the point of compulsion—but she does not require that autonomy be impaired to the point of an inability to resist for there to be coercion.

(vii) O’Neill and some other conceptions of coercion

Gert. Frankfurt treats coerced action as (psychologically) compelled action. By contrast, Bernard Gert argues, in "Coercion and Freedom", that a necessary condition for coercion is that the agent's actions are voluntary. Gert maintains that "only someone with the ability to will can act freely or can act under coercion, that is only voluntary actions are done freely or under coercion" (Gert 1972, p. 32). Gert maintains that all coercion involves a threat of some evil. He distinguishes between a wide and a narrow sense of

22Even Nozick, who thinks that the drug offerer does not coerce because he does not threaten, concedes that, "the fact that P did not coerce Q into beating up the person does not mean that it would not be true for Q to say, in some legitimate sense of the phrase: 'I had no choice'" (Nozick 1969, p. 448).
23I take it that, when she speaks of making offers to the needy that they 'could not refuse', she mostly means that they could not reasonably be expected to refuse.
24H. J. McCloskey also emphasises that the coerced person acts. One thing that is essential here is agency. "The person who is subject to force, the physical force of another, or to natural forces, has things happen to him" (McCloskey 1980, p. 336). On this view, the person who is physically forced into the police van, for example, is subjected to a force but is not coerced. In contrast, "the coerced person does what he does; he chooses to do it. What occurs to him does not simply happen to him; it occurs as a result of his action" (McCloskey 1980, p. 336). Suzanne Uniacke thinks that the concept of coercion is very closely tied to the concept of duress. Uniacke maintains that duress requires the person acting under duress to decide to perform the action. Coercion, on Uniacke's view, is a broader concept than duress, and can include some positive inducements, such as bribes (Uniacke 1989, p. 54).
Coercion. Coercion in the wide sense is the result of any threat of evil. Coercion in the narrow sense is the result of a threat of evil that provides an unreasonable incentive. On Gert's view, offers do not count as coercive; rather they count as enticements.

Against Gert, Virginia Held maintains that "[a]n unreasonable incentive to accept a good might be no less coercive than an unreasonable incentive to avoid an evil." (Held 1972, p. 58). According to Held, "[c]oercion is the activity of causing someone to do something against his will, or of bringing about his doing what he does against his will." (Held 1972, pp. 50 f.). As an example of coercion without a threat of any sort, Held maintains that "one person may coerce another into remaining in a room by locking the only door, or coercion may have been used to transport a person from one location to another although no injury was inflicted or even threatened" (Held 1972, p. 51). Under such a broad conception of coercion, coercion can involve threats, offers, and other actions (or circumstances) which involve neither.

Central to Held's notion of coercion is that to coerce someone is to make them act against their will. According to Held, people can act against their will in various ways. By way of example, she considers the contrast between seduction and rape, and maintains that "[i]n one case constraint and threat are operative, in the other inducement and offer. If the degree of inducement is set high enough in the case of seduction, there may seem to be little difference in the extent of coercion involved" (Held 1972, p. 58). Not only does Held think that offers or inducements can be coercive; she also thinks that offers or inducements can be coercive, even
when the coerced person might have supplied the deficiency of will (Held 1972, pp. 58 ff.). So Held, unlike Frankfurt, does not think that (psychological) compulsion is essential to coercion, even though she thinks that coerced persons act against their will.

O'Neill. O'Neill's conception of coercion—insofar as this can be deciphered from her relatively few scattered comments—seems very close to Held's. First, both O'Neill and Held allow it as unproblematic that there can be coercive threats and offers, but they do not limit coercion to cases involving threats or offers. For example, both allow for mere physical coercion which may come about by other actions (or circumstances). Second, for both O'Neill and Held, the central defining feature of coerced action is that the agent's autonomy is seriously impaired—but both (unlike Frankfurt) allow that this may fall short of compulsion. Further, unlike Gert, Held and O'Neill allow that coerced action may be compelled action.

(viii) Back to George's proposal and O'Neill's theory of justice

In order to consider George's proposal in the light of O'Neill's theory of justice, it is necessary to find the most plausible reconstruction of O'Neill's account of coercion. All in all, it seems that O'Neill's conception of coercion strongly overlaps with Held's, and that the central idea is that coerced action is action performed under another's influence (or in a circumstance), where that influence (or circumstance) seriously compromises—and may on occasion even completely override—the agent's autonomy or free choice. Is George's 3-D solution coercive when considered in the light of such a conception of coercion?
Ordinary people in the Third World. On O'Neill's view, it may be fundamentally coercive to rely on others' need in order to secure their 'consent' to a proposal (O'Neill 1986, p. 148). However, there is reason to think that O'Neill would not count George's proposal as fundamentally coercive of ordinary people in the Third World, since that proposal aims to undo the status quo of underprivilege in the Third World.

O'Neill allows that physical circumstances can themselves be coercive and that widespread destitution and hunger is fundamentally coercive. Under present arrangements, destitution and hunger is widespread in the Third World. So, the actual present conditions in the Third World are, in O'Neill's view, fundamentally coercive. O'Neill maintains that "in harsh circumstances lesser coercion might be the only way to avoid fundamental coercion" (O'Neill 1986, p. 158). George's proposal seeks to eliminate those conditions which make the status quo for ordinary people in the Third World fundamentally coercive. It is noteworthy, therefore, that even if George's solution to the problem of destitution and hunger is coercive in some subsidiary way because it relies on the neediness of ordinary people in the Third World to secure their cooperation, it does not follow that O'Neill would see it as unjust because it is coercive. For if subsidiary coercion is the only practicable way to avoid the fundamental coercion of widespread destitution and hunger (which constitutes the neediness of ordinary people in the Third World), then not only is that aspect of George's proposal not forbidden by O'Neill (on the grounds that it is coercive), it is obligatory.
However, there is one way in which George's proposal runs the risk of counting as unacceptably coercive. The terms of George's proposal are conditional on democratisation. She insists that the proposed development funds be democratically run. For those ordinary people in the Third World who value justice but who do not embrace democracy as a value, this aspect of George's proposal looks coercive.\textsuperscript{25} It seems implausible to suppose that the solution to the physically coercive circumstances of destitution and hunger in the Third World requires that politico-economic structures in the Third World be democratised.

*Power elites in the First and Third Worlds.* The power elites have a lot to gain from the fundamentally coercive *status quo.* Arguably, there would need to be considerable pressure placed on the power elites in both the First and Third Worlds to get them to comply with George's proposal. Does the pressure proposed by George count as coercive on O'Neill's account of coercion?

It is fairly clear what O'Neill's position would be here. Even if the will of the power elites was forced, such coercion would not count as unjust on O'Neill's theory. For, as noted, O'Neill maintains that justice may even require that we be coercive in some subsidiary respects in order to promote *fundamental* noncoercion.

\textsuperscript{25}Arguably, there are some undemocratic, but well-ordered, hierarchical societies which make decisions for the members of their societies, which reflect the interests of those members and maintain the requisite standards of justice. Rawls uses the term 'well-ordered hierarchical society' to mean a society which is "peaceful and not expansionist; its legal system satisfies certain requisite conditions of legitimacy in the eyes of its own people" (Rawls 1993, p. 43).
Ordinary people in the First World. Many ordinary people in First World countries are vulnerable to such things as losing their jobs. Markets which traditionally belonged to the First World are being lost and transnational companies are moving their manufacturing from the First to the Third World where they can find cheaper labour. In some respects, under present arrangements, ordinary people in the First World are vulnerable to such things as losing their jobs or a worsening in their conditions of employment. George's proposal is sensitive to this vulnerability, and includes in its aims the protection of jobs for ordinary people in the First World by increasing the export of basic commodities such as "fertilizers, foodstuffs, pharmaceuticals, machine tools, spare parts, transportation and communications equipment" (George 1989, p. 248). While these measures help protect the jobs of ordinary people in the First World, less competition for markets with workers in the Third World could quite possibly further help workers in the First World by protecting their conditions of employment, such as basic wages. This aspect of George's proposal is a move towards making ordinary people in First World countries less vulnerable and so puts them in a position where they are less likely to be coerced. So, O'Neill is likely to approve of this aspect of George's proposal.

Another issue worth addressing is whether George's proposal is putting acceptable pressure on ordinary people in the First World

26 The point here is that in order for the manufacturing of labour intensive products in the First World to be competitive with Third World manufacturers (which have relatively low labour costs), wages are often driven down which is to the detriment of ordinary people in the First World such as workers and their dependants.
to support her 3-D solution. Since the 3-D solution holds out the promise of more jobs and more secure jobs, it seems like an attractive offer. The offer that George is putting to this interest group is one which they are likely to favour; but they are hardly likely to find that George's proposal offers an unreasonable incentive that they couldn't refuse or couldn't refuse without extreme difficulty. So, George's offer seems to be one which leaves open the possibility of autonomous acceptance or refusal. Hence, George's proposal does not seem to undermine the autonomy of ordinary people in the First World and is likely to be seen by O'Neill as noncoercive.

An essential part of George's proposal is that it relies on the democratic co-operation of ordinary people and collectives in the First World. To overcome the status quo of debt, hunger and destitution, there is need for a political will from ordinary people and collectives in the First World to change the international economic and political system, by putting pressure on the power elites and large international agencies such as the IMF. Given that the democratic will of ordinary people and collectives in the First World is necessary for the implementation of George's proposal, it seems implausible to think that its implementation would be coercive of them because it would undermine their autonomy or free choice.

Conclusion. The status quo of underprivilege among ordinary people in the Third World is arguably fundamentally coercive. Even if there are aspects of George's proposal that are coercive of ordinary people in the Third World in subsidiary ways, O'Neill
would see such subsidiary coercion as mandatory, if necessary to eradicate the conditions of underprivilege that constitute fundamental coercion. However, it is not clear that George's proposal is coercive of ordinary people in the Third World in only subsidiary ways. For example, her demand for democratic restructuring has the potential to be fundamentally coercive of those whose traditional lifestyles embrace justice as a value within a hierarchical context. George's proposal does seem coercive of the power elites, but such coercion may even be a requirement of justice, by O'Neill's lights. Finally, it does not seem plausible to suppose that George's proposal compromises the autonomy of ordinary people in the First World. It looks like an attractive offer that they could perfectly well refuse, if they so pleased.

**Imperfect Duties**

O'Neill distinguishes obligations which are determined by our perfect duties from obligations which are determined by our imperfect duties. Perfect duties are actions which are required in order to avoid acting on fundamental principles (for example, coercion and deception) which are nonuniversalizable on logical or conceptual grounds. Imperfect duties are actions which are required in order to avoid acting on fundamental principles which are nonuniversalizable because of our limited capacities, finite rationality and reliance on others to meet needs (O'Neill 1986, pp. 141 f. & pp. 159 ff.). In an unjust and needy world, O'Neill maintains, there is greater need for fulfilment of *imperfect duties*
such as the development of basic social and productive skills. George's solution accords with this aspect of O'Neill's theory in that she emphasises the need to develop the skills required to meet basic needs.

Action which supports famine relief and development work may often be a good way to fulfil one's imperfect obligations of respect and beneficence, especially when needs are unmet because of unjust political structures. O'Neill maintains that "[in] an unjust and needy world, there is more scope and need for respect and help to those in need and more potential for developing required skills" (O'Neill 1986, p. 146). While principles of noncoercion and nondeception are central to justice on O'Neill's theory, in a world where people are vulnerable to coercion and deception, the fostering of people's talents is very important in reducing the weight of injustice, and so will stand high among one's imperfect duties.27 "At present, when institutional structures are far from just, imperfect duty may often be the only, if incomplete, response to human need. Respect and beneficence in present conditions may often be well expressed in acting to support famine relief and development work, especially where present political structures do not address unmet needs" (O'Neill 1986, p. 160). O'Neill maintains further that, in such cases, what is most urgent is the development of basic social and productive skills and institutions that can reduce the weight of injustice. This would include improving literacy, health, farming and other technical skills.

27While imperfect duties are selective, arguably there will be better reasons for sponsoring some talents than for sponsoring others. One criterion by which one might select which talents of others to sponsor is which talents will help to satisfy the more pressing of needs.
Even in conditions of established just institutions, on O'Neill's account there is still a requirement to conform to such principles as help and development, which fall under the umbrella of 'imperfect duties'. Principles of nondevelopment are nonuniversalizable for needy beings since needy beings require the help of others to secure their agency (O'Neill 1986, pp. 141 & 145). While beneficence and justice are in principle distinct, a commitment to justice may require a commitment to beneficence. This is especially the case when unjust social and political structures are so entrenched that fulfilling imperfect duties is the only possible response to human needs.

George's proposed solution conforms very much with this aspect of O'Neill's theory. While George recognises that the international social and political structures are unjust, she includes in her proposal ways of empowering ordinary people in the Third World. George's proposal includes the sponsoring of others' talents and the promotion of help and development. Basically, the sorts of things that George includes in her proposed solution are geared to make people less vulnerable to injustices by sponsoring projects which maintain (or establish) their autonomous agency. For example, "[v]arious groups (village councils, associations of young people, women, peasants, etc.) could apply to the fund for seed money to undertake their own self-managed projects" (George 1989, p. 248). 'Modest' loans could be given to farmers and small-scale entrepreneurs, with priority given to women and to the landless. Also, the promotion or creation and development of nongovernment organisations play an important part in George's 3-
D solution, since George maintains that they have a good track record in assisting in genuine development. George also maintains that, through the initiatives of reimbursement in kind, she aims to "strengthen particularly the peasantry, the pastoralists and the agriculture sector and thus work towards the elimination of hunger, and the poverty on which hunger thrives" (George 1989, p. 251). On O'Neill's theory, all these initiatives proposed by George stand high among our imperfect duties of beneficence.

**O'Neill's 'Accessible but Critical' Requirement**

According to O'Neill's second standard for applied ethical reasoning, ethical and other categories need to be accessible to the parties concerned. While George's solution focuses on meeting people's needs, her 3-D solution might be thought to be inaccessible to some affected parties in the First World as it fails to embrace such values as fair trade and lending and a free market system. George's 3-D solution might also be thought to be value-imperialistic towards many in the Third World as it enshrines certain First World values that they may not share, such as democracy and gender liberalism. Her 3-D solution might also be open to the criticism that it is insensitive to what the relevant parties identify as the problem or as their needs.

In assessing these criticisms of George's solution, however, it is important to remember that O'Neill sets an 'accessible but critical' requirement on applied ethical reasoning. While the relevant grids and categories need to be accessible to the parties concerned, they
do not need to be restricted to any established or establishment values. O'Neill comments:

All complete Kantian deliberation requires the minor premises of practical reasoning—the proposed maxim of action—to be formulated, and then critically assessed in terms of the Categorical Imperative. Agents and agencies select the minor premises of their deliberations partly by using the grid of categories that constitutes their local idiom and moral starting point, and partly by criticizing that specification of problems, allocations of problems and claims about available action in the light of wider considerations, including ethical principles (O'Neill 1986, p. 134).

(i) First World categories.

It could be argued that George's proposed solution to the Third World debt crisis does not take proper account of the grids and categories of people in the First World, which are manifest in the policies and strategies of the IMF. Many people in the First World may well see the Third World debt 'crisis' in terms of Third World countries not repaying the money that they borrowed and so not fulfilling their end of the bargain. Such complainants may claim that George's solution allows Third World countries to forgo their end of the bargain because they are not repaying their debts in hard currency (i.e., US dollars).²⁸

²⁸Of course, George's 3-D solution does include Third World countries repaying their debt, albeit in nonconventional forms like reimbursement in kind.
One line of response here is that the standards and categories that First World individuals and institutions embrace regarding fair trade and fair lending are unlikely to apply in most instances of Third World debt. Those who partook in the financial agreements surrounding Third World debt are typically not those who bear the burden of repayment. In many cases, money was borrowed for prestige projects, which were of little or no benefit to ordinary people in the Third World. In other cases, the money was spent on arms, which were in turn used to oppress ordinary people in the Third World. In some cases the money was siphoned off by power elites in the Third World and returned to the First World in flight capital. When these aspects of the history of the debt are considered, it would be difficult to justify repayment of much of the debt, in terms of fair trading and fair lending.

Another point, in response to the claim that Third World countries are forgoing their end of the bargain, is that in many cases those who borrowed the money were not democratically elected representatives of those who bear the burden. In First World democratic countries, on the other hand, projects for which loans are made by governments are more likely to be reflective of the interests of those who bear the burden of the debt. So, whereas the burden of international debt incurred by First World countries may justifiably fall on ordinary people in the First World (allowing that they benefited from the borrowed money or would foreseeably have benefited from the borrowed money), such principles of fair lending are less likely to apply in the cases of Third World debt.

29See my Ch. 2, 'The Causes of Third World Debt', the section, '(ii) Capital flight and corruption'.
Another criticism that may be made of George's proposal is that it fails to embrace a free market model and so goes against a predominant First World establishment view. The sorts of projects that George proposes with reimbursement in kind require funding which would not typically come about in a free market system. Indeed, her whole inner-directed economic approach goes against a free market model.

Criticisms of George's 3-D solution such as the two just outlined, namely, that it does not take fair trading and lending seriously and that it fails to embrace a free market system are unlikely to move O'Neill. For O'Neill is committed to the view that, even if full repayment of Third World debt could be justified within First World establishment categories, there is still the question of whether the categories of First World institutions ought to be revised. For O'Neill, it is important not to tie deliberation permanently to some locally established categories (though it is also important to O'Neill, in revising any ethical and other categories, that the relevant agents or agencies find the shift accessible). However, on O'Neill's theory, the categories which surround a free market system do need revision as they impede the satisfaction of people's basic needs. O'Neill even gives some illustration of how a shift in the way of thinking about economic categories may be possible:

30 Of course, it may be argued that even in First World countries there is nowhere in existence a free market system. Taxes and redistribution of resources by a welfare system are typical of many First World countries. My point here is that those in the First World often value an approximation of a free market system and, in many ways, their own economies are run on such an approximation.
When transfers to the hungry are described as 'gifts' they are not seen as required by justice. We know that these matters could be differently understood, because they are differently understood within certain national states. Even in capitalist societies, where commercial categories provide one standard way of looking at the world, transfer payments made by processes of taxation are seldom seen either as 'aid' or as 'gifts'. Nor on the other hand are they seen (except by a few libertarians) as unjust confiscations (O'Neill 1986, p. 151).

So, on O'Neill's theory, even if full repayment of Third World debt was required by established First World categories, and George's proposal went against establishment values such as free market systems and fair trading and lending, that would not be reason enough to reject George's proposed solution. Indeed, O'Neill thinks that, in the case of Third World debt, there are good reasons to be critical and revisionary of such establishment grids and categories.

(ii) Southern categories.

Criticalisms of George. It could be argued that George's proposal is not accessible to certain groups in the Third World because it is paternalistic and value-imperialistic. For example, the proposal enshrines democratic values. If democracy is not embraced by a group, then ethical deliberation which hinges on democratic values is likely to fall short of accessibility for that group. Such ethical reasoning would then not meet O'Neill's second standard of practical reasoning. Similarly, since George's proposal focuses on
empowering women, it may not be accessible to certain patriarchal groups.

These criticisms of George's proposal can perhaps be put most generally in this way: her proposal risks being inaccessible to certain peoples of the Third World because it risks imposing on them 'alien' values. While it aims to satisfy the needs of people in the Third World, it may not be sensitive to their needs and values as they perceive them. For example, the 3-D solution emphasises a move away from an international market economy. However, people in the Third World may have come to identify their own values or perceived needs in ways which involve 'Westernising' and becoming more internationally competitive.

The most basic needs, such as food and shelter, remain the same for everyone and are culturally nonspecific, being a function of the fact that we are all embodied. However, other values and perceived needs, which may be considered to be more or less basic, may be more culturally dependent—such as the need for communication (including telecommunication) as a means of acquiring information, and the need for infrastructure, such as roads, as a means of travel and of exchanging and supplying basic goods. As cultures change, often through the influence of Westernisation, people's values and the way people perceive their needs can change.

It could be argued that George's proposal is not sensitive to changes of values within cultures and so is not sensitive to the ways in which people in Third World countries now perceive their needs.
Some may maintain that, through such strategies as reimbursement in kind, George is being value-imperialistic by imposing some values on people in Third World countries that they cannot be guaranteed to share now—even if they once did share such values.

**Response to criticisms of George.** It has to be conceded that there is an element of value-imperialistic paternalism in George's 3-D proposal, though it certainly seems much less paternalistic than alternative solutions, especially the IMF solution. George respects the need for replacement views to be accessible to all affected parties, but she is convinced that democracy (for example) is an accessible value to people in the Third World. According to George, once democracy has been embraced, people are unlikely to give it up. Her aim is to use democracy as a means to meeting people's basic and other needs, and thus to help secure the autonomy of ordinary people in the Third World. However, although George's insistence on democracy is well-intended, it seems implausible to suppose that the only practicable way to overcome widespread hunger and destitution in the Third World is to institute democratic politico-economic structures. In 'well-ordered hierarchical societies', for example, the fight against famine and poverty could be located (with more respect for autonomy) within more accessible, traditional, nondemocratic, politico-economic structures.

George's proposal also emphasises the need to empower women—as among the most vulnerable of the vulnerable—in the Third World. It seems that O'Neill likewise would reject practices which keep women in subjection, whatever the local established

---

31See fn. 25, this chapter.
view is. "The most significant features of actual situations that must be taken into account in judgements of justice are the security or vulnerability that allow actual others to dissent from and to seek change in variable aspects of the arrangements which structure their lives" (O'Neill 1992, p. 73). Unless they are empowered, women will not be able to dissent from or to seek change in many aspects of their life, and so present, disempowering arrangements will always count as unjust on O'Neill's theory. No matter how established a cultural value that subjects women may be, on O'Neill's theory there will be a strong imperative to revise such an established value. What is required is some deliberation with alternative grids and categories that are accessible, or could become accessible, to the relevant parties.

Consider, finally, the criticism that George's 3-D solution is insensitive to the values and needs of people in the Third World as they now perceive them and that George is perhaps even imposing her own conception of contemporary Third World values on people in the Third World. At least this much can be said on George's behalf in response to this criticism. George is sensitive to this issue. Part of the point of her (problematic) promotion of democracy is that it would empower people to choose for themselves what projects they want to pursue, in the light of what they perceive their needs to be. While George proposes a method by which needs could be met, the sorts of projects she cites as "some examples of possible payments in kind" are those she thinks ordinary people in the Third World would agree to under some considerable judgement (George 1989, p. 250). Such recommendations are not
essential to George's 3-D solution. George might very well approve of democratically endorsed alternative proposals.

Conclusion

George's proposed 3-D solution has many virtues under O'Neill's theory. First, for O'Neill the meeting of people's basic needs is central to meeting the requirements of justice. George's proposal includes a number of initiatives which are primarily focused on meeting people's basic needs. (The IMF strategies, by contrast, ostensibly thwart the meeting of people's basic needs.) Second, even if George's proposal is coercive in certain respects, in relation to ordinary people in the Third World and the power elites in both Worlds, it seems that such coercion mostly would count for O'Neill as subsidiary coercion in the service of fundamental noncoercion, and so would be permitted (and perhaps even required). Third, George's proposal seems to respect the conditions of free consent with respect to ordinary people in the First World. Fourth, George's 3-D solution offers a good way for agents and agencies to fulfil their imperfect duties. Fifth, George's proposal acquits itself in certain respects in relation to O'Neill's 'accessible but critical' requirement on applied ethical theory.

However, George's 3-D solution has an evident problematic feature when assessed in the light of O'Neill's theory of justice. The proposal requires the democratisation of politico-economic structures in the Third World. Arguably, this requirement has the potential to be fundamentally coercive of
certain communities in the Third World. It also limits the accessibility of George's proposal to these communities.
CHAPTER 7

CONCLUSION

My objective in this thesis has been to assess George's proposed 3-D solution in the light of two competing, significant, contemporary theories of justice that have international application. These theories are R. M. Hare's preference utilitarianism and Onora O'Neill's Kantian-inspired theory of justice.

Whilst, for the most part, George's 3-D solution fares well on Hare's theory of justice, the aspect of the solution that is conditional on democratisation is problematic. Hare is a preference utilitarian who (at the intuitive level) endorses moderate egalitarianism as his principle of substantial justice (given certain empirical assumptions). As I have argued in Chapter 4, George's proposal is apparently egalitarian, and perhaps is even moderately egalitarian. The proposal is egalitarian in that it promotes greater equality in both economic and political power than exists under present arrangements. However, it is difficult to determine whether the proposal is moderately egalitarian because it is left unclear just how much inequality George's proposal will allow. In any event, the central issue for Hare (at the critical level) is whether George's proposal would best satisfy the preferences of all the affected parties, if applied.

George's solution looks promising in many ways, from a preference-utilitarian perspective, because of its egalitarian nature.
However, George's proposed strategies are tied to conditions of democratisation; and it is arguable that such conditions are insensitive to certain cultural values and preferences among those who live in currently preferred, nondemocratic societies. George seems to assume that if these societies were to become democratic the present preferences for a nondemocratic socio-political order would be outweighed by future preferences for a democratic socio-political order. It is not at all clear that the weighing of preferences would turn out this way.

George's proposal also seems promising on several counts when assessed according to O'Neill's theory of justice. However, George's insistence on democratisation again raises certain problems. George's proposal is promising on O'Neill's theory in the way it aims to meet people's basic needs (a central feature of justice for O'Neill), respects the autonomy of ordinary folk in the First World, and provides for agents and agencies to fulfil their imperfect duties. Even though arguably there is a certain coercive aspect to George's solution—such as her reliance on the neediness of ordinary people in the Third World in order to secure their consent—I argue in Chapter 6 that, for the most part, her solution seems to be fundamentally noncoercive.

However, there is a coercive aspect to George's proposal that looks unacceptable when assessed on O'Neill's theory. George makes the terms of her proposal conditional on democratisation. Such a condition seems fundamentally coercive of those communities who value justice but who do not include democracy as a value, and so apparently fails to meet a central criterion of
O'Neill's account of justice. Furthermore, because it depends on democratisation, George's proposal fails to meet another important demand that O'Neill sets on applied solutions to ethical problems—namely, that such solutions be accessible to the affected parties.

In all, while most aspects of George's proposal meet the requirements of both Hare's and O'Neill's competing theories of justice, one problematic feature common to both is that her proposal is conditional on democratisation.
REFERENCES

Bauer, P. 1990, *The Third World Debt Crisis: Can't Pay or Won't Pay?*, with commentaries by W. Kasper, St. Leonards, N.S.W.: Centre for Independent Studies.


Persson, I. 1983, "Hare on Universal Prescriptivism and Utilitarianism", *Analysis*, vol. 43, pp. 43-49.


