

Globalisation and Justice: *Contradictory Forces?*



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1. What is Globalisation? Raising the Gap between Rich and Poor

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The current understanding of globalisation has economic connotations. Globalisation is thought of as a process characterised by the elimination of tariffs and customs barriers, instantaneous movement of capital and the rapid creation of new investment opportunities. Free movement of capital and goods are the core signs of globalisation as we know it today. The questions that provoke most interest relate to the consequences of this process. The issues of who benefits from it, the expected outcomes and how shortcomings can be addressed are all questioned.

One of the often discussed negative sides of present globalisation is its imbalance. On the one hand there are the reported positive effects of the process – growing exports, increased possibilities for exchanging goods and capital and expanding the GDP of individual countries. On the other hand, we have to ask, are the benefits of the process equally distributed? Who are winners and who are losers of this development?

The average per capita income in high-income countries in 2001 was sixty times higher than low-income countries. Precise figures on the development of the worldwide income gap however show a more complex picture. In recent years the income gap between the richest and poorest 10% of the world's population has increased considerably. The income gap between

the richest and poorest 20% has only grown slightly and if one compares the richest and poorest 25% (33% of the world population) there is by contrast a slight closing of the prosperity gap. This is caused above all by rapid economic growth in China and India, where together approximately one-third of the world's population live.

A similar picture emerges from a country-related comparison of the annual growth rates in per capita income. The developing nations have achieved somewhat higher average growth rates in the last 25 years than the industrialised nations, whilst the poorest countries show much lower growth rates. More than anything else, this shows that there is a growing income gap among the developing nations themselves.

A number of reports demonstrate that globalisation can help overcome poverty, and examples from all over the globe demonstrate this. Unfortunately this is not a universal happening. Equally, there are many examples proving that globalisation makes the rich richer and the poor poorer. This is the case particularly, but not only, in sub-Saharan Africa. These findings reflect the concerns of a great number of people globally, not just those in affected regions.

Most of the gains of globalisation in terms of poverty reduction have benefited only two countries, China and India. Whilst in South America, it seems that trade openness has led to a rise in income inequalities and one entire continent, Africa, has actually become even more marginalized than before.

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II. Globalisation beyond Economy

Globalisation, as we know it, is a process of increasing economic relations. This does not necessarily mean the same thing today as it did in the nineties. Globalisation began as an economic issue and was particularly made possible by technological changes. The phenomenon of globalisation later took on additional characteristics, ones that cannot be overlooked today. These characteristics include:

- » Full mobility of capital and goods
- » Spread of information technology
- » A drive for uniformity around the values steering the process of continued globalisation
- » Greater inequalities
- » An erosion of nation states
- » Increasing impact on culture and/or national identity
- » Increasing impact on democracy, raising the question of whether global corporations have too much power over national governments.

It would be a mistake to limit our understanding of globalisation to finance and economics; globalisation has social and cultural dimensions also. One of the greatest problems of globalisation is the phenomenon of migration and the unavoidable problem of the greater mobility of persons compared to the mobility of goods and capital. Equally, globalisation has become a spiritual phenomenon. At the conceptual level, barriers of time and distance that previously existed have been eliminated. Time and distance no longer hinder immediate worldwide relations. Important decisions can now be announced simultaneously all over the world.

Whatever else, this means that globalisation is most likely an unstoppable phenomenon. It can be shaped; but in what direction and what is wrong with the current shape of globalisation?

In 2004 the International Labour Organisation (ILO) created a high-ranking commission of internationally respected personalities called the World Commission on the Social Dimension of Globalisation. The Commission produced a report entitled *A fair globalisation – creating opportunities for all*. The document offers thorough analyses and very specific proposals that address the crucial deficiencies of current globalisation. It emphasises the following points as significant issues for shaping globalisation:

- » A focus on people: Just globalisation means respecting the rights of all people to fair working standards and self-determination and the protection of their cultural identity and autonomy. Gender equality is essential.
- » The role of a democratic and effective state: The government of a country must be able and free to manage the integration of the national economy into the global market, and to provide social and economic opportunities and security to its citizens.
- » Sustainable development: Just globalisation requires sustainable development and interdependent and mutually reinforcing pillars of economic development, social development and environmental protection.
- » Productive and equitable markets with fair rules: Equal opportunity and enterprise need to be promoted by sound institutions for a well-functioning market economy. This must be represented in the rules of the global economy in a way that can be accessed by all countries. The rules also need to recognise the diversity in national capacities and developmental needs.
- » Globalisation with solidarity: There is a



shared responsibility to assist countries and people excluded from or disadvantaged by globalisation. Globalisation must help to overcome inequality both within and between countries and contribute to the elimination of poverty.

The call for solidarity is the core message. It has been formulated not only by the ILO but also by many churches and church-related organisations all over Europe and the globe. Alongside documents produced by individual churches in Europe, which formulate their respective responses to the challenge of globalisation, there are also documents by ecumenical organisations such as the WCC and CEC.

The Conference of European Churches has focused its attention on the impact of globalisation on the European context and have elaborated on this in the document *'European Churches: Living their faith in the context of globalisation.'* Several points give the discussion on the impacts of globalisation in Europe a certain significance, differing from the situation in other continents. This difference is the existence of the European Union with its influential political structure that is able to shape the development on the continent. Its influence extends even beyond the continent's borders and the sphere of Central and Eastern Europe (CEE). The impact of globalisation in CEE differs from that of Western Europe. A careful examination of the rapid transformation of economy and society in CEE over the last two decades would aid in understanding many of the questions linked to globalisation. The key term for understanding this rapid transformation from the churches' perspective is *justice*.

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III. Globalisation and Justice

One of the most influential contemporary accounts of justice is the work of John Rawls. In his book *Theory of Justice* (1971) Rawls defines justice simply as fairness. There are two steps involved in supporting this definition. First, he establishes what is called a neutral starting point, i.e. a position which is removed from all external influences and prejudices. Justice can then be defined without any conflicting influences and is allowed to follow the fundamental principles of equality and liberty. His definition is then based on two fundamental principles:

1. Each person is to have an equal right to the most extensive basic liberties compatible with liberties for others.
2. **a.** offices and positions must be open for everyone under conditions of fair equality of opportunity (equality principle)
b. they are to be of the greatest benefit to the least-advantaged members of society (the difference principle)

To broadly define justice as fairness is certainly appealing; the question, however, is whether it is sufficient. Many are critical of such an approach and turn their attention to the basic presupposition of the definition – a neutral starting point. These critics argue that we do not have a neutral starting point and that this is an unachievable goal.

Every theory of justice arises within and expresses a particular moral and political ideal. It is not possible to define justice in objective terms. It is always necessary to ask about the circumstances and context in which the justice we seek can be practiced. We find this in the way that the Bible approaches justice. Justice is a key concept in biblical tradition and Christian social ethics. In the Bible it is connected with peace, freedom, redemption, grace and salvation. In ancient philosophical and theological discussions the idea of justice

was interpreted as a fundamental principle of social order. It was considered that everyone has a right to be recognised as a person and to lead a fulfilling life. This individual right found respect in a society where all members played their part and received their due. So at the same time, each individual must respect the rights of others and those of the social body. Only in this way can justice safeguard peace in society and in the world.

The relevance of Christian theology to the real world is grounded in the recognition of the relationship between justice and other basic values in the Bible. Respect for these basic values is at the heart of Christian teaching and their promotion and application should guide Christian lifestyles.

These values are all interdependent in a way that gives rise to a vision for human life in all its fullness. It is a vision that discourages the extremes that happen when some of these values lose their relationship to others.

The experience of Central and Eastern Europe with globalisation provides a relevant example. Countries in this region have painfully endeavoured to overcome a globalisation of another kind – that of a totalitarian ideology. The experience of CEE countries with communist ideology and real life socialism helps us to understand what it means to talk about a ‘just’ society. In communism justice was reduced to its distributive function, justice without freedom; it was a society of equality, but without social responsibility. Serious consideration is called for in order to learn from this experience. The relevance of this experience is not merely historical, concerning only our past, but it is also significant for understanding the nature and future of global capitalism. It acts as a kind of mirror, exposing globalisation’s negative side. This is especially important for people who once lived in countries behind the Iron Curtain and who are now experiencing the positive effects of opening their borders to globalisation.

Biblical justice is not a reality separate from secular justice.



The core of biblical understanding is that freedom from sin is a necessary part of every human activity and area. What we say about justice in the area of biblical thought has to remain meaningful and connected with everyday reality. Talk about justice cannot be superficial. This means that justice can only be understood as a historical reality and in this sense justice is not just about legal process but is also about ethical maturity.

IV. Criteria of Justice

Justice is a practical, not abstract, term. Whatever we mean by justice, the final criterion concerns its implementation. Justice is often limited to the question of law and legal proceedings. Although this dimension of justice must not be underestimated, neither ought it to be considered as the only significant dimension. Limiting justice to its legal form is neither adequate, nor satisfactory, nor reflecting a biblical approach. Limiting justice to the legal and formal matters, as well as narrowing it to distributive equality is very often a frame in which justice is discussed in the current context of globalisation. It is right to talk about distributive justice but this alone is far from sufficient; in order to unpack the full implications of justice much more needs to be said. Inseparable from any meaningful talk of justice is its personal dimension, as well as a dimension which speaks about *ex ante* justice (justice before the event). Social balance and social justice are integral parts of the concept of the social market economy. They are often considered *ex-post* (justice after the event), through the system of redistribution. Efforts to create *ex ante* justice are equally important and probably more effective. *Ex ante* justice means creating equal access to the means of production, equality of opportunities, and requires acting on a vision of the future that will fairly benefit everyone.

Ex ante justice includes *a just limit to economic competition*

and a widening of opportunities. There are strong ethical arguments in support of “positive discrimination” in favour of countries, peoples and groups who have been excluded in order to strengthen their economics. Economic potential that has long been latent should be released by improving access to training, savings and loans and legal assistance in order to enable them to contribute towards development.

The principle of *gender equality* is linked to this question of opportunity, since women are frequently subject to the multiple disadvantages of poverty, gender restrictions and gender based violence; to which are often added the disadvantages of being part of an ethnic or religious minority. Women often have less access to economic resources, education or legal protection, and in many world situations they are excluded from making decisions that directly affect them.

There is also a time-related dimension. The question of *justice between generations* means that policy must also calculate to provide resources and institutions for future

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generations. Most importantly, states and corporations have a responsibility to save environmental assets for future generations; this includes conserving the diversity of the social and cultural environment.

We might now come to the conclusion that a deficient understanding of justice is one that is limited to the law and stripped of its ethical and spiritual aspects. This leads to two significant consequences that can be seen all around us. Reduced understanding of justice is a cause of:

- an imbalance between the economy and the society. Where the benefits of globalisation have been unequally distributed, both within and between countries, there is growing polarisation between winners and losers. This is made worse when global trade rules and institutions prevail over social rules and social institutions. Goods and capital move much more freely across borders than people do. In times of crisis, developed countries have wider options for macroeconomic policy, while developing countries are constrained by demands for adjustment. International policies are too often implemented without regard for national differences. There are urgent consequences following from all this and reinforcing inequalities. The rules of world trade today often favour the rich and powerful and work against the poor and the weak, whether these are countries, companies or communities.

- an imbalance of power between the global economy and national governments. Institutions of governance today – whether national or international – do not adequately meet the new demands of people and countries for representation and advocacy. The lack of public trust in global decision-making creates new tensions between representative and participative democracy. International organizations, in particular the United Nations and the World Trade Organization (WTO), have come under increasing pressure to implement fair decision-making and greater public accountability. Global markets lack the supervision of public institutions, which in many countries

provide national markets with legitimacy and stability. The present process of globalisation has no means to maintain a balance between democracy and the market. These two imbalances lead to the subversion of social justice and are consequences accompanying current globalisation.¹

V. Conclusion

Globalisation, because of its link to poverty and the concept of justice, is undoubtedly an issue of serious concern. The long-standing wealth inequality, widened by the current shape of globalisation, cannot be ignored. Aware of the biblical commandments that call all to stewardship, it is important for the churches to affirm the importance of mutual responsibility, trust and accountability. The economy has to serve life for all. The economy must not work to bring benefits for only a small elite.

In order to do so, the relationship between politics and the economy has to be clarified. The role of ethical judgment in this process has to be restored on both national and international levels. In the current stage of globalisation there is a critical need for an ethical orientation. Economic policies alone cannot create values; the market alone cannot create solidarity between peoples.

It is clear that further work needs to be done to ensure democratic control over administrative and economic players. Ethical behaviour at personal and organisational levels is essential to ensure improvement. The church has a substantial role in identifying and analysing the economic and social processes around us, in opening the way for ethical behaviour and finally in being the voice of the victims of the political, social and economic systems that surround us.

1 These imbalances are noted in a number of documents undertaking an effort to analyse globalisation and its consequences. See e.g. A fair globalisation – creating opportunities for all. I.L.O., 2004, as well as European Churches living their faith in the context of globalisation, CEC/CSC, 2006.