Section 10

Structural Economic Injustice and the Critique of Power

Organizer: Lisa Herzog, (TU Munich, Germany)
Participants: Rutger Claassen (Utrecht, NL), Elizabeth Kahn (Durham, UK), Lisa Herzog (Munich)

Abstract:

Theories of justice have, for a long time, focused on distributive outcomes and on some foundational questions about the role of markets in just societies. But markets and other economic institutions depend on the formal and informal institutions that shape not only the distributions of resources they create, but also their impact on other dimensions of justice, e.g. the distribution of respect, recognition and social inclusion or exclusion, and asymmetries of power. With the move towards non-ideal forms of theorizing – and arguably as a reaction to the fact that today’s world is one in which political theorists cannot ignore economic issues because the impact of economic injustices is so pervasive – interest in such questions has gained centre stage. In this symposium, we will focus specifically on forms of power in the economy, how they are controlled (or fail to be controlled), how they can be critiqued, and what alternative institutional solutions would be possible. Arguably, the power of institutions such as central banks, financial markets or supranational corporations has become so large that they are serious contenders to national states. The critique of power is a core issue of political philosophy; it needs to be broadened to include not only political, but also economic institutions and their mutual interrelations.

The symposium is co-organized by the Professorship for Political Philosophy and Theory, Bavarian School of Public Policy.

Titles and Abstracts of the talks

1. Elizabeth Kahn: Human Rights and Social Structure
The concept of a ‘human right’ is firmly established in political discourse. Activists and politicians around the world draw upon the term. In doing so they appeal to the idea that there are a set of normative demands that are of fundamental importance, protect the interests of individuals, are owed to each and every individual, that apply regardless of where they live. However, the philosophical literature on rights faces a challenge in understanding the concept of ‘human rights’ that is appealed to in current discourse. As has been pointed out by Onora O’Neill, many of the rights outlined in the conventions and declarations do not easily map on to a traditional account of the concept of a right (O’Neill 2005). Instead of arguing that this discourse is mistaken in its assertion that these are ‘rights’ this article seeks to formulate an understanding of rights that can include socio-economic claims.

The article assumes a non-positivist broadly realist approach to human rights according to which the bindingness and validity of human rights is not dependent on the formalisation of
these rights, the recognition of these rights in existing practices or the enforcement of these rights. It argues in favour of the structural approach over a traditional moral interaction approach on the basis that it allows the term ‘human rights’ to cover injustices of a kind that cannot be captured by the interactional model. The article argues that if there are some serious and significant injustices that all individuals have an equal right not to be subjected to, that are weighty enough to warrant prioritisation but cannot be captured by the traditional account then we must either, concede that human rights do not outline all of the most significant injustices that individuals have a right not to be subjected to (and thus give up the idea that human rights outline all fundamental priorities of justice that are owed to every individual), or we must give up on the traditional moral account of human rights and replace it with an alternative account. The paper pursues the second option.

The structural approach is offered as an example of an approach that captures the way the term is currently used whilst maintaining moral realism and not moving to a practice dependent approach. In response to Tassioulas’ worry that non-traditional moral realist approaches make the use of the term ‘right’ redundant (Tassioulas, 2012) a full account of the normative role of structural rights is offered. Thus how recognising human rights should affect moral reasoning is outlined. This involves articulating how human rights affect the duties of agents. It is proposed that with regards to human rights people primarily have collectivization duties that require that they act responsively with a view to establishing collectives that fairly and legitimately regulate and intervene so as to ensure the violation of rights is avoided.

2. Rutger Claasen and Lisa Herzog: Structural justice and economic power
Theories of justice propose an account of when a society can be judged just or unjust. This standardly involves the presentation of a set of normative principles on the one hand and the application of these principles to a subset of social states of affairs on the other hand. In such a set-up, no attention needs to be paid to the underlying processes through which these outcomes have come about. The economic structures which create and maintain unjust outcomes remain a black box. In our view, theories of justice should open up this black box. We start from Iris Young’s theory of structural injustice, which opens up the space for a normative assessment of economic structures. However, Young does not sufficiently address the question of how to diagnose which structures are unjust, but instead focuses her attention on responsibility for remedying injustices where they arise. We propose a theory which addresses this lacuna. We first turn to the debate about power. Agents within a structure occupy social positions, and they can have or lack power in virtue of occupying these positions. A conceptual map of the relations between structure, power, and domination is essential for building a theory of justice. We propose to conceive of power as being in a position to impose one’s will on others, and such positions are created and maintained by social structures as Young describes them. Second, we then use this concept of power to discuss when power differentials are unjust. The key move here is that having power over others sometimes may amount to a form of domination, and such as domination can be diagnosed as unjust where it deprives people of the capabilities necessary for agency. Finally, we apply this framework to the economic sphere, showing how economic structures can be diagnosed as unjust if they create positions in which individuals systematically dominated.
3. Lisa Herzog and Rutger Claassen Locating power in the economy

It is a widely shared intuition that our economic system is marred by large power differentials. In order to evaluate them from a perspective of justice, we need to better understand the mechanisms that bring them about. In this paper, we propose a framework for thinking about economic power and the mechanisms behind it. A first mechanism concerns the setting of the "rules of the game," this connects to the older debate about the power of capitalists in democracies (Barry 2002, Christiano 2010). A second mechanism of power in the economy is market power in the sense theorized by economists: "short side power" (Bowles/Gintis 1993) or monopolistic power. A third mechanism is ideological power that can shape individuals' preferences both qua consumers and qua voters. While this framework is useful for addressing a number of theoretical questions, we here demonstrate one specific usage: it can help us to answer questions about when it is possible and appropriate to rectify unjust balances of power in the economy by redistributing money and when other levers need to be moved.