World Crisis and Underdevelopment

A Critical Theory of Poverty, Agency, and Coercion

World Crisis and Underdevelopment examines the impact of poverty and other global crises in generating forms of structural coercion that cause agential and societal underdevelopment. It draws from discourse ethics and recognition theory in criticizing injustices and pathologies associated with underdevelopment. Its scope is comprehensive, encompassing discussions about development science, philosophical anthropology, global migration, global capitalism and economic markets, human rights, international legal institutions, democratic politics and legitimation, world religions and secularization, and moral philosophy in its many varieties.

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To my family: past, present, and future

"It is only for the sake of those without hope that hope is given us."

"Nur um der Hoffnungslosen willen ist uns die Hoffnung gegeben."

Walter Benjamin (concluding sentence of Benjamin's essay, Goethe's Elective Affinities, trans. Herbert Marcuse)

Contents

vii

viii   *Contents*

Contents ix

x   *Contents*

Preface

The last thirty years have witnessed a momentous shift in our thinking about international justice. Since the end of the Cold War, humanitarian law has become a prominent tool in the struggle against genocide and other human rights violations. The decentering of international relations from state-centric concerns regarding the balance of power and maintenance of international peace brought in its wake a further departure from the old paradigm of *realpolitik*. Thanks to growing awareness of the impact of heightened economic globalization on the world's poor, underdevelopment has emerged alongside social justice and human rights as a pressing matter of deep concern. The study proposed here aims to develop a critical theory of underdevelopment that draws together these normative concerns within a critique of contemporary global capitalism.

Critical theory reflects on social crisis as the inextricable dilemma of our times. *World Crisis and Underdevelopment* extends this reflection to illuminate the injustices and social pathologies that specifically inform poverty remediation and social development within the current global order. My *institutional* analysis of that order draws from a wide range of thinkers within critical theory. Although its normative bearings chiefly derive from Habermas's theory of communicative action and Honneth's theory of recognition, it also appropriates much of the social contractarian tradition descending from Rawls and his followers along with insights developed by proponents of the capabilities approach.

Critical theory's chief advantage over these competing approaches lies in its linkage of theory and practice. In contrast to idealizing theory, it situates itself at the crossroads of historical reality and experience. How

xi

the disadvantaged experience deprivation and powerlessness as a modal-
ity of structural *coercion* guides its criticism.

In order to grasp the phenomenon of coercion as a function of struc-
tural and social incapacitation, I begin by discussing the concept of
agency. Agency is the basic capability (or good) that human beings must
have in order to acquire other capabilities. It forms the core of our free-
dom and thus constitutes one of the most central foci of human rights
protection. It also constitutes the heart of social justice; for if agency
implicates a distinctly social conception of freedom, as I think it must,
freedom from social domination born of excessive social inequality must
be one of its conditions.

Chapter 1 elaborates the concept of agency as social freedom. I begin
this chapter by criticizing minimalist accounts of agency that neglect
agency's social dimension. This dimension, I argue, is captured by
Hegel's understanding of the importance of social recognition, in which
what is done, as well as who is doing it, depends on critical confirmation
from others. From this quasi-ontological characterization, which can be
captured in terms of a model of communicative interaction of the sort
developed by Habermas, Brandom, and Pippin, I then propose, following
Honneth and Taylor, several richer schemes of social recognition. The
historical (or *teleological*) scheme distinguishes between traditional and
modern forms of social recognition, with the former based on the fulfill-
ment of concrete role expectations within social hierarchies premised on
honor and unquestioned (often inherited) authority, and the latter based
on the fulfillment of abstract role expectations within egalitarian relation-
ships of mutual accountability premised on mutual respect for the dignity
and freedom of the other. The *societal* scheme distinguishes between
familial, moral, and socio-ethical types of social recognition. These types
of recognition foster (respectively) self-confidence (through loving rela-
tionships), self-respect (through moral relationships), and self-esteem
(through forms of cooperative work and group membership).

Elaborating on this schema, I further differentiate social recognition
and agency, noting that different types of agency and social recognition
can be developed in opposition to each other. Here I endorse Nancy
Fraser's criticism of Honneth's reduction of economic, political, and
cultural injustices to experiences of misrecognition. Following her lead, I
suggest that we view all injustices – if not all forms of social pathology – as
violations of a principle of participatory parity in discussing not only
cultural roles, economic distributions, and political systems of representa-
tion, but in questioning the basic frameworks in which such questions of

justice are raised in the first place. In the final analysis, I propose a combination of Fraser's Habermas-inspired deontological theory of democratic justice and Honneth's teleological theory of recognitive development. Thus, using the example of microcredit in a social context still marked by traditional forms of recognition, I argue that the development of feminist agency, which may come at the expense of welfare agency, requires an expansive understanding of agency that entails participatory parity in all three dimensions of social interaction.

Chapter 2 exposes the underlying racism and ethnocentrism of modern development theory, specifically highlighting the failure of public policy and ethical theory to adequately conceptualize the relationship between poverty and coercion. I begin with a discussion of the debate over the causes of poverty in the United States and the importance of social recognition in establishing a notion of rational autonomy. I argue that the two dominant views embedded in public policy expertise – that poverty is caused by deficient cognitive and moral habits of the poor (the so-called "culture of poverty" view) and that poverty is caused by a lack of economic opportunities (the so-called "structural imposition of poverty" view) – are only partly correct. The moral and cognitive "habits" of the poor often reflect rational choices in the short term that are suboptimal in the long run; but these choices, free and rational as they may be, are not wholly unconstrained. They are "coerced" by situations characterized by lack of opportunity. In contrast to the abstract, individualistic understanding of free, rational choice (autonomy) found in liberal social contract theory, I defend a social-interactive view, which emphasizes the unreliability of our individual-centered knowledge of others as well as much of our second-hand expertise. Given the superficial picture of poverty provided by so-called experts, typically depicted as shortfalls in household income, and the susceptibility of such supposedly value-neutral data to multiple – conservative and progressive – interpretations, I argue that "poverty knowledge" should take its bearings from qualitative field research grounded in narrative interpretation of the sort that was pioneered by the Chicago Settlement movement. So construed, poverty knowledge would shed its deceptive appearance as a value-neutral, objective science and become a partisan advocate on behalf of enlightening, emancipating, and empowering the poor.

Using a combined discourse- and recognition-theoretic approach to reforming poverty expertise, I then turn to several models that have been proposed for implementing international development. Despite its checkered history as recounted in post-colonial literature, the right to development, I argue, can become an effective right once it is theoretically

elaborated and practically implemented in dialogical collaboration
between local communities and experts. The disadvantages of direct aid,
even when it involves mediation of technical expertise and local knowl-
edge, recommend alternative strategies of development that build on
inclusive economic collaboration between cooperative worker-manage-
ment experiments and foreign businesses. Fair trade relationships need to
abide by discourse ethical norms of cooperation that respect the dignity
and interests of all parties. However, as I point out, such negotiations will
be constrained so long as power imbalances between providers and reci-
pients of developmental assets persist.

Part II examines some of the most important global crises that threaten
development today: coercive migration, poverty and global inequality,
and environmental destruction. Chapter 3 discusses the ethical, political,
and legal responsibilities associated with modern migration. Political
refugees fleeing violence continue to suffer human rights violations and
injustices at the hands of their would-be protectors, who have few qualms
about treating them as criminals. The justification for this treatment is
suspicion that self-identified political refugees are really economic oppor-
tunists. I argue that the distinction between political and economic
migrants fails to apply when one scrutinizes today's global political econ-
omy, in which varying degrees of political abuse intersect a coercive and
hostile economic environment. Economic refugees who engage the ser-
vices of smugglers belie the stereotype of passive victims; being neither
accomplice to nor victim of crime, the migrant who is compelled to violate
the law out of desperation diminishes her own agency. I argue, however,
that uprooting oneself from a community of social recognition out of
economic necessity is agency diminishing even when undertaken legally.
This diminishment is experienced by both migrants and the families
(especially the children) they leave behind.

In my opinion, neither communitarian nor cosmopolitan moral the-
ories adequately respond to the dilemmas faced by migrants who are
forced to sacrifice some portion of their agency. Standing between cosmo-
politanism and communitarianism, discourse ethics, I submit, responds
more sensitively to this dilemma. Although discourse ethics provides a
warrant for questioning border and immigration policy, its true value, I
argue, resides in mandating an empathetic application of immigration law
in a way that does justice to the uniquely coercive life circumstances of
each claimant to asylum.

Chapter 4 examines the economic forces that drive migration. I begin
by examining one political factor underlying these forces: the imperial

hegemony exercised by the United States and its allies in imposing a neoliberal regime of finance and trade that perpetuates neocolonial dependency and inequality between developed and developing nations. After laying out the multiple social contractarian duties of repair and care that the United States and its allies have with respect to the global poor subject to their governance, I analyze the global economy from a less political social contractarian perspective. I ask whether an unregulated global trade regime of the sort defended by neoliberal apologists can be justified as mutually beneficial to all contracting parties. Crucial to my inquiry is an analysis of the principle of comparative advantage that economists invoke in touting the benefits of free trade in reducing poverty and advancing development.

In recommending models of poverty reduction and development that endorse fair trade principles permitting protectionist and import-substitution policies for developing nations, I defend more internationally engaged forms of economic cooperation that take account of the environmental and climatological effects of global production. Although I do not discount the advantages of combining market-based solutions to this problem with stronger forms of democratic regulation, I submit that any such model of green, sustainable development needs to be qualified by a sober analysis of the growth dynamics driving capitalism, which undermine efforts at government regulation. I therefore conclude that, given *this* contradiction between capitalism and democracy, any long-term solution to the chief economic and political crisis of our era will require infusing the economy with discourse ethical principles of the sort commensurate with market socialism and workplace democracy.

Special duties owed to conationals and foreigners who participate in, or find themselves subjected to, legal-political relationships of trade, finance, and imperial domination must be distinguished from the truly universal cosmopolitan duties owed to all human beings with whom we might have a lesser degree of contact. The question I address in Chapter 5 is whether such universal duties, specifically as they flow from human rights, provide a different set of reasons for condemning the economic injustices noted above. For example, ecological costs of doing business that endanger human rights might not be justifiable by appeal to overall greater benefits of doing business. If this is so, I argue, it is because human rights law imposes a duty on states to provide robust levels of social welfare to their subjects that should not be hindered by conditions of finance and trade imposed on states by the World Bank, the World Trade Organization, and other global economic multilaterals (GEMs).

It might be argued that such robust interpretation of human rights cannot be justified or practically implemented. Following an argument developed recently by Allen Buchanan, I argue that the problem of rights inflation, while real, is partly a figment of the philosophical fantasy that there is only one justification for human rights: their moral role in protecting individual agency. Once we drop this Mirroring View (as Buchanan refers to it) we are free to think of human rights as having multiple moral grounds, compatible with collectivist moralities, group rights, and the procurement of social welfare.

Having refuted one-sided political, constitutional, and ethical (agent-centered) theories of human rights, I argue that an institutional understanding of human rights must accompany an interactional understanding if we are to grasp the full range of justiciable human rights claims (both criminal and civil) that touch on poverty and resource deprivation. This explains why the official addressees of human rights should be expanded to include nonstate institutions. I conclude by defending a human right to democratic participation, which I argue must be respected at the level of global governance as well.

Chapter 6 examines the legitimation crisis facing the current human rights regime. Lack of accountability, both internal and external, has rendered this regime powerless to mitigate current humanitarian crises. Reforming that regime, I submit, requires infusing it with constitutional structure of the kind found in liberal democracy. This regime should incorporate institutions that function more like domestic legislative, judicial, and executive bodies without evolving into a full-fledged democratic government.

Buchanan's qualified justification of the current regime poses a serious challenge to my thesis insofar as he understands the regime's legitimacy as sufficiently established by its modular composition and dependence on sovereign democratic states. Although I agree that Buchanan's *ecological* understanding of the relationship between international human rights law and sovereign states is basically correct and allows for potential reform of the human rights system in ways that will increase its overall legitimacy, I submit that it does not go far enough in addressing concerns that Buchanan himself raises regarding human rights treaty law as an instrument for combatting global poverty and climate change.

To see how this might be done, I examine Habermas's much debated proposal for making the UN Security Council and the General Assembly more democratically accountable and less subject to manipulation by entrenched government interests. Habermas's intriguing proposal for

integrating transnational negotiations regarding trade, development, and global environmental risks into human rights law as well as his suggestion that international human rights courts exercise some kind of review over executive decisions renders plausible a global institution that Habermas endorses at the domestic level: a constitutional court. Taking up this intriguing possibility, I examine the *Kadi* case in which judicial review has already been effectively exercised by the European Court of Justice with respect to the UN Security Council's unconstitutional listing of individuals suspected of terrorist activity.

The final chapter examines possibilities for achieving solidarity in fighting global poverty and environmental damage. Among the various types of solidarity, civic solidarity shows promise as an achievable cosmopolitan goal. However, its volatile combination of cosmopolitan and national loyalties raises obvious doubts on this score. One such doubt is skepticism about the human rights that compose its cosmopolitan core. Two skeptical challenges merit special consideration in this regard: the charge that human rights conflict with national obligations and the objection that they reflect a Western secular bias.

Responding to the first objection, I argue that the conflict between human rights and duties to the community, although internal to the humanitarian order, expresses a conflict that can occur between any human rights, in this instance between human rights ascribed to individuals and those ascribed to groups. Not only are group-ascribed human rights genuinely irreducible to individual-ascribed human rights, but both rights together capture the dual kinds of solidarity that should inform global democratic governance. A further concern that democratic deliberation erodes group solidarity likewise vindicates democracy's genuine potential to critically transform cultural identities without, however, undermining cultural attachments as such. Encouraging cultural groups to reflectively revise their self-understandings in dialogue with other groups further facilitates the convergence of group solidarities and cosmopolitan solidarity.

This fact informs my response to the second objection. This objection holds that human rights and secular democracy conflict with the core commitments of Islam and other world religions. I argue that this objection not only is unsubstantiated but also neglects the contribution of world religion as the most original cosmopolitan form of solidarity – and one, moreover, that has recently attained prominence in promoting human rights and secular democracy. This contribution depends on the capacity of believers and nonbelievers alike to avail themselves of the cultural

values solidifying social justice struggles within civil dialogue qualified by the constraints of public reason.

The existence of sectarian fundamentalism reminds us of the formidable barriers to achieving solidarity. In this regard, global capitalism plays a contributing role. Not only does capitalism feed a self-centered consumer mentality that is hostile to communal forms of solidarity, but it exacerbates class conflict. Its pathological forgetfulness of any socially recognized community beyond that of economic status scarcely permits empathy for the world's poor and vulnerable.

I conclude that the possibility for achieving cosmopolitan civic solidarity depends on forging a different kind of cosmopolitan solidarity: network solidarity. Building upon the organic interdependence of groups struggling on behalf of different constituents, network solidarity opens lines of political communication that expand the internal identifications and attachments of regional and sectorial social justice movements to encompass a broader cosmopolitan horizon of solidarity. My analysis of the social factors engendering network solidarity – a preference for mutually beneficial cooperation, a consciousness of social dependency, and an awareness of luck's role in assigning us our place in life – compels a guardedly optimistic assessment of the prospects for achieving cosmopolitan civic solidarity.

I add this personal note as a final guidepost for the reader. This book is dedicated to Herbert Marcuse, who by his teaching and conduct inspired my interest in critical theory as a vehicle for political practice. Although I do not cite him, Chapter 4 honors his utopian vision. My life can be read from these pages as well: I organized boycotts on behalf of the United Farm Workers Union, accompanied Loyola's students on their journey of awakening to Central America and the Caribbean, worked with Guatemalan refugees and community organizers in Chicago, and learned about the possibilities and limits of development while visiting the slums of Kibera with aid providers. I hope this book vindicates in theory what our collective struggles have honored in practice.

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