Beyond the Role of Victim: The Ethical Basis for International Concern about Africa

Paul Collier

Centre for the Study of African Economies,
Department of Economics,

Oxford University

July, 2006

Introduction

The international community has good reason to be concerned about African economic development. Over the period 1960-2000, when other developing regions were growing at unprecedented rates, Africa stagnated. Average per capita income rose by only around 0.1% per year.[1] Africa's divergence from other developing regions has been accelerating: by the 1990s it was diverging at an astonishing 5% per year. Africa is rapidly falling behind, and parts of it are falling apart. So, concern is natural. My main point is going to be that we in the international community can base our concern on various quite distinct ethical arguments. Which we choose matters both for our style and direction of assistance, and much more importantly, for the mental models that Africans will themselves use to interpret their difficulties. Our ethical position becomes mirrored in Africa, precisely because the West is so intellectually dominant. Inadvertently, we shape the mental space inhabited by African elites.

Why should the citizens of developed countries be concerned about what happens in developing countries? The answer coming from the development institutions such as the World Bank, and from the NGOs, is poverty. In Section 2 I will argue that the criterion of poverty reduction is not a reasonable ethical position, but rather is the result of political expediency. I then turn to four possible ethnical bases for international concern, addressing each of them in a brief section.

2. Is Poverty Reduction a Sound Basis for International Assistance?

Over the past decade the metric of progress in development has come to be the reduction of absolute poverty. The choice of absolute poverty was essentially a political solution to a range of political problems. One problem was that the popular image of the World Bank had been so damaged by public perceptions of 'structural adjustment' that the agency needed an objective that signalled that it 'cared'. A second problem was that there was a need for some specific and measurable objective to assess agency performance. By the 1990s the electorates that funded aid were doubtful that it was effective and as a result aid finance was in rapid decline. Further, poverty reduction offered an objective that could be embraced by the pantheon of development agencies and so offered the prospect of coordination that had otherwise proved illusive. Beyond these, the problem was that the left, which was the only part of the political spectrum that favoured aid, was mainly concerned about inequality *within* societies while being deeply suspicious of the normal process of economic growth: a focus on 'the poor' offered the possibility of compromise with this key lobby.

The privileging of poverty reduction worked well in terms of the first three objectives: the image of the World Bank improved; agency performance became more oriented to the 'result' of poverty reduction, and all agencies signed up to the Millennium Development Goals, of which poverty reduction was the overarching objective. Since the absolute number of those in poverty was still rising, the need for aid was evidently increasing, and aid flows indeed reversed their rapid decline. Only the fourth problem remained illusive: the critics of a market-oriented development paradigm remained

[1] Population weighted, see Collier and O'Connell (2006.

largely unreconciled to growth, wanting to bring social inequality to the fore as the central challenge of development.

Agreements about the norm of absolute poverty are driven by this strange coalition. Any sense of a social contract between the government of a low-income country and its own citizens - a domestic social welfare function - is shelved. A social welfare function that only attends to the concerns of the poor is not a likely outcome of democracy. Both theory and the domestic spending priorities observed in the richer democracies point to the clear dominance of the median voter, and not to an exclusive focus on the poor. For good reason, the international community advocates democracy. A corollary is surely that the society should be left free to determine its own social welfare function, which is unlikely to be coincident with the minimization of poverty. Indeed, different democracies are likely to make different choices as is evident from a comparison of the choices of Swedes and Americans. Donor governments are exhibiting policy incoherence in advocating democracy while trying to impose their own priorities.

Against this view, it is sometimes argued that in 'signing up' for the MDGs all governments have in some way committed themselves to the acceptance of donor policy priorities regarding poverty reduction. Similarly, donor agencies sometimes suggest that their emphasis upon social participation in the *Poverty Reduction Strategy Papers* reconciles the process of domestic choice with donor priorities. The reality is that recipient countries are ranged along a continuum of democratization. Approaches that are legitimate in countries radically lacking in democracy are illegitimate in countries with functioning democracies. In the former, *faux de mieux*, the international community may need to act on behalf of ordinary citizens, so that insisting on the MDGs and the participation of social groups in PRSP consultations is better than nothing. In the latter, it is a cynical abuse of donor power to suggest that signing up to the MDGs overrides the democratic choices of the society: signing up was something which no government of a small and poor country could in practice avoid since it was linked to the promise of aid.

If poverty reduction is not a sound objective of international assistance, what is? I believe that the core objective should be the economic convergence of societies. In an integrating world, continued divergence is an unacceptable prospect, and indeed an alarming one. Within societies, it is not 'the poor' who should be the exclusive object of our concern, but 'ordinary people'. That is, to my mind the development challenge is to ensure that ordinary people in all the countries of the world are members of societies that are converging on a common affluence.

3. Guilt as a Basis for International Assistance

I now turn from the objective of international assistance to its ethical bedrock. I begin with the first of four distinct ethnical bases for assistance, namely a sense of guilt. The basis for guilt is sometimes the affront of colonialism and sometimes the even greater affront of slavery. A third potential basis for guilt might be the export to the elites of developing countries of the 1940s-50s first-world intellectual fashion for 'socialism'. In each case guilt generates some sense of the need for restitution. In this case the redistribution is in some sense a right, remedying a wrong. There are some obvious practical problems with implementing such an allocation. Even if the notion of

inherited guilt is accepted, which is problematic, the guilt is not distributed evenly among rich countries, and the wrong is not distributed evenly among poor countries. If the guilt is distributed among those countries that participated in colonialism and slavery, most rich countries would be burden-free. In respect of slavery, Britain would be in the ambiguous position of having participated in the trade but then been instrumental in closing it down. If the damage of colonialism is seen as broadly proportionate to its duration, India would receive compensation per capita around forty times as much as Ethiopia. Since its population is around twenty times larger than Ethiopia, overall India would be entitled to around eight hundred times as much compensation as Ethiopia. In other words, guilt is liable to produce a pattern of redistribution radically at variance with current needs.

However, to my mind the main problem of basing international concern on a sense of guilt is its consequences for the psychology of the recipient. Because of the disproportionate power of rich-country mental models, if the rich countries frame their concern in terms of guilt this will inevitably become the dominant mental frame in developing countries, where the counterpart of guilt is grievance. The problem with a sense of grievance is that is it incapacitating: it provides an alibi for failure and so belittles the autonomy of the actor.

4. Unfairness as a Basis for International Assistance

The second ethical basis for international assistance is a sense of unfairness at grossly unequal outcomes. We might ground this notion of unfairness in a quasi-Rawlsian concern for those who, for whatever reason, have fared worst. From behind the 'veil of ignorance' everyone might agree that a degree of insurance would be a good idea. Rawls himself took this notion of insurance to the extreme form of 'maximin' – the society should order its affairs so as to maximize the welfare of the person who is going to be worst off. To my mind this has no normative rationale in ordinary behaviour. In reality, nobody is that risk averse: we simply do not choose to run our lives so as to minimize the worst thing that can possibly happen to us, and whether the thought experiment is interpersonal or inter-temporal should make no difference. However, undoubtedly, a more limited degree of insurance is something that we would all choose to have. The sense of fairness can then potentially be used to justify the creation of some *ex-post* mechanism for redistribution. In effect, such a mechanism retrofits an institution that we would all have agreed upon *ex ante* if we had had the chance to do so.

The limits of this, however, are that we also need agreement on the degree of coercion that is acceptable to enforce such retrospective redistributive insurance. Overwhelmingly, people have agreed that most of this power of redistribution should be intra-state and that there should be many different nation states. *The decision as to the number of nations is, implicitly, a decision as to the limits of retrofitting insurance mechanisms*. This can be seen most dramatically within the EU, which is the world's most remarkable attempt to shift authority to above the level of the nation state. The typical EU member state takes around 40% of the income of its citizens, and a considerable part of this is used for redistribution, sometimes directly and sometimes through the provision of public goods. By contrast, the central EU institution, the EC, takes only 1% of income from its citizens, and almost all of this is redistributed back to citizens of the same country: the EU is predominantly a mechanism for further

internal redistribution within nation states (essentially from consumers to farmers), rather than for redistribution between states. This is, for example, made explicit in the 'British rebate' which caps the net contribution of the UK at a very modest level. More generally, notions of redistribution on the basis of fairness rest on some quasi-insurance principle, and so are dependent upon the acceptance of some sovereign institution to enforce the redistribution. *It is incoherent, to insist that each developing country should have complete national sovereignty, and at the same time to insist on redistribution to developing countries on the basis of 'fairness'.*

5. Compassion as a Basis for International Assistance

The third ethical basis for concern is compassion. Compassion responds to misfortune out of recognition of a common humanity. The unfortunate do not have a 'right' to receive compassion, but the fortunate can reasonably see themselves as having a *duty* to be compassionate: duties need not create rights as counterparts. Those who lack any compassion are seen as mentally flawed by other human beings. One huge advantage of compassion is that as a basis for resource allocation it is automatically needs-related: our compassion is directed to the needy. The great disadvantages of compassion are that it is degrading to the recipient, and potentially fickle. Nobody wants to be on the receiving end of charity, with its inevitable implication that the appropriate response is gratitude. Asking the unfortunate to be grateful to the fortunate is unreasonably demanding. Compassion for the remote is likely to be at the end of the line of charity, and therefore highly sensitive to changes of mood and changes of circumstance. It is therefore radically unreliable.

6. Enlightened Self-Interest as a Basis for International Assistance

The fourth ethical basis for concern is 'enlightened self-interest'. Enlightened self-interest is, indeed, barely 'ethnical' at all. It by-passes ethics, grounding action that helps others in an awareness that the action is also helping the actor. Enlightened self-interest does not create duties: I am always free to ignore by own interest. However, it does potentially create rights, this time belonging to the enlightened actor. Enlightened self-interest is only possible if the actor has a genuine self-interest. By far the most likely basis for this self-interest is that severe misfortune on the part of the potential recipient can have adverse consequences for the actor: misfortune creates spillovers. If the spillovers are sufficiently adverse, the victim of these spillovers potentially has the right to rectify them: the owner of the smoky chimney that pollutes the neighbouring laundry may find his freedom to pollute curtailed by public action. Thus, just as 'fairness' invites some softening of the concept of national sovereignty, so does enlightened self-interest, though from a different perspective. With fairness the prospective recipient needs to soften sovereignty in order to create the right to the retrofitting of insurance institutions. With enlightened self-interest the donor needs to soften sovereignty in order to create the right to redress adverse externalities.

Enlightened self-interest has the disadvantage of not being able to tap in very readily to the huge pool of potential energy constituted by morality: many citizens of rich countries want to do something that does *not* serve their own interest. However, offsetting this, it has two massive advantages. One is that one of the key criteria for assistance is going to be effectiveness. Whereas guilt-based provision is effectiveness-blind, self-interest demands that resources are made to work. The other is that the

recipient does not need to feel either aggrieved or grateful: the basis for any assistance is mutual advantage. Whereas the first three ethical bases for action all seek the pretence of 'partnership' between aid givers and aid recipients – the pretence that preferences are coincident, - enlightened self-interest seeks *bargains*. Bargaining acknowledges differences in interests but searches for mutually beneficial deals.

7. Conclusion

Let me summarize what I have been trying to say. It is that the present focus on 'poverty reduction', motivated by some melange of guilt, a sense of unfairness, and compassion, while understandable, is neither ethically well-based, nor practically helpful.

It is mistaken because it misses the real development challenge which is to reverse the divergence between societies. Its consequences are dire because it produces both unreasonable interventionism in matters that should be left to African societies themselves, notably the balance between the poorest and ordinary members of a society, and unreasonable feebleness it a reluctance to insist that assistance is effective. Most seriously, it furnishes the developing world with a mental frame in which it is cast as the victim. This is massively debilitating and drains societies of the purposive energy they will need to achieve convergence. In that struggle international assistance in a wide variety of forms can be very useful. For our own enlightened self-interest we should be providing it on a scale and in a style that will maximize its effectiveness.

Of course, in the practical world collective action is grounded in alliances of different interests. There is a natural affinity between compassion and enlightened self-interest. Both are interested in being effective. There is also scope for an alliance between 'fairness' and self-interest, in the softening of national sovereignty. Hence, I do not in the end wish to argue against 'fairness' and compassion. Both have their place in motivating OECD action. But I do not see them as the bedrock of the case for international assistance.