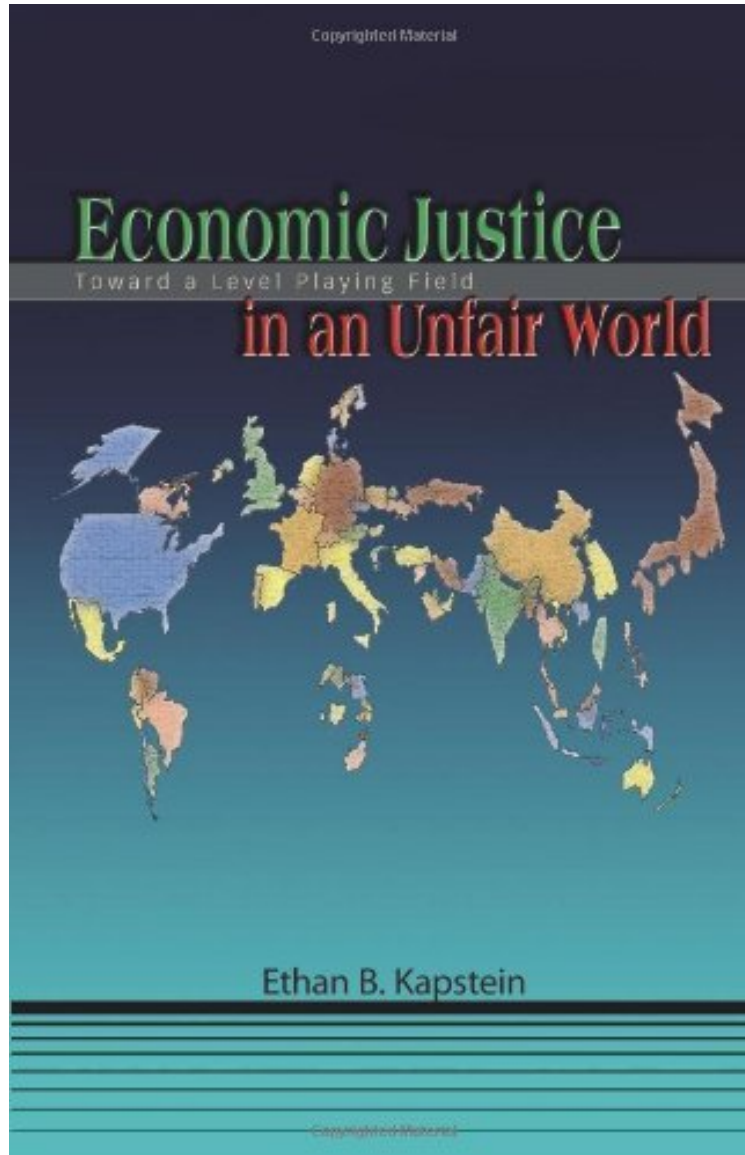


(Download) Economic Justice in an Unfair World: Toward a Level Playing Field

Economic Justice in an Unfair World: Toward a Level Playing Field

Ethan B. Kapstein

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Ethan B. Kapstein : Economic Justice in an Unfair World: Toward a Level Playing Field before purchasing it in order to gage whether or not it would be worth my time, and all praised Economic Justice in an Unfair World: Toward a Level Playing Field:

1 of 1 people found the following review helpful. Levelling the Playing FieldBy Etienne RPTThe "level playing field" is an expression favored by economists. Come to think of it, this is weird. It is difficult to imagine a playing field that is tilted against one team. If this is the case, it shouldn't have been called a playing field in the first place. Likewise, it makes little sense to level a playing field that is tilted from the start. Instead of calling the bulldozer, it is better to stop

the game and move the players to another playing ground, where each team has a fair chance to win. Of course, some teams are simply better than others, regardless of the field they play on. For the interest of the game, it may be worthwhile to introduce some kind of handicap--to tilt the field, in some way--in order to redress the balance, and to give each team an opportunity to win. What is needed, in this case, is not a level playing field, but a set of rules that takes account of each team's strengths and weaknesses, and that adapts the game accordingly. This linguistic remark aside, almost everyone agrees that economic transactions should be carried out on a "level playing field", and that the rules of the game should be fair. But as Ethan Kapstein notes, people have a different opinion of what constitutes the sources of fairness or unfairness in the global economy. In his introductory chapter, the author presents three models of international economic justice, each advanced by different scholars and supported by different constituencies. Some people criticize increasing economic integration because of its allegedly deleterious effects on domestic social and economic arrangements. This is what Ethan Kapstein calls the communitarian critique, which takes domestic society as the appropriate site of distributive justice, because it is only with this political context that coercive fiscal and redistributive policies can take place. According to this view, economic justice can only be achieved one nation at a time. Some scholars call this position "embedded liberalism" and see it as a cornerstone of the postwar economic order, which guaranteed full employment and social protection at the national level while exempting many trade and financial transactions from complete liberalization. The second model of economic justice identified by the author is the cosmopolitan challenge, which is concerned with the welfare of individuals irrespective of national boundaries. It demands justice for all, and a fair share of the pie for each individual. This is the perspective taken by the World Bank and other international organizations in their fight against poverty. Cosmopolitans see a world where global public policies would redistribute revenue and wealth away from the well-off and would benefit the haves-not, who would gain higher utility from an extra dollar. Whatever the practical merit of these redistributive policies, they indicate the cosmopolitan sensibility of treating people as members of one universal community, each of whom has a claim to the world's resources. The third intellectual tradition, to which the author belongs, does not focus solely on the individual, nor does it place the sole locus of economic justice on the national community. Instead, it takes seriously the relations among states, based on equality, sovereignty, and the national interest. But it doesn't lose sight of the plight of the world's poor either. This "liberal internationalist" perspective, also referred to as social liberalism, seeks to build a just international system that would meet the three criteria of being inclusive, participatory, and welfare-enhancing. It is close to John Rawls' vision of a just world order, and it borrows from the American philosopher notions such as the veil of ignorance, as well as a certain skepticism towards foreign aid. These distinctions may sound like typical academic hairsplitting, and indeed the reader who comes to this book unprepared by readings in political philosophy is in for heady stuff. But applying the author's framework leads to some interesting conclusions. For instance, you might think, considering Kaplan's attachment to world justice, that he would stand on the side of anti-globalizers and WTO critics. Quite the opposite. Kaplan stands squarely on the side of free trade and foreign direct investment. Greater openness to trade and investment is identified as a sure policy winner, the best shot we have at achieving global economic justice. It should feature high on the agenda of any person or group seeking a more just international system. Writes Kaplan: "Free trade may be viewed as a uniquely suited instrument for promoting international economic justice, for the very reason that it bolsters the growth of the least-advantaged regions in a manner that is welfare-enhancing for all states." Kapstein argues, quoting Kenneth Boulding, that "the case for free trade has always been a moral one." Provided of course, and it is an important caveat, that the trade regime allows developing countries to have a voice in setting rules and standards. In other words, it should not only be welfare-enhancing, but also inclusive and participatory. But the playing field is often tilted against least developed countries, who face trade barriers in the sectors in which they possess comparative advantage, like agriculture and textile. Some people argue that rules negotiated under the TRIPS agreement may prevent patients in poor countries to get access to AIDS therapies. Reforming the trade regime would require giving developing-world governments substantially more voice than they have at present in the negotiating process. Kapstein applies the same principled analysis to the issues of foreign aid, workers' remittances, migration flows, labor standards, and codes of conduct for multinational enterprises. In each case, his purpose is to "map the contours of some politically feasible changes with respect to contemporary economic arrangements." On each problem, he shows that the cosmopolitan perspective often adopted by international organizations and NGOs leads to impractical solutions and dead ends. Cosmopolitans usually claim the moral high ground for themselves but fail to deliver on their political promises. Their dream is a world free of poverty, but they stop short of providing a playing field where each country could compete equally. For instance, notes Kapstein, "it does little good to provide countries with aid if they cannot increase their exports; that is the definition of absurdity." By contrast, his liberal internationalist perspective brings sensible conclusions, and a practical agenda for reform. Although *Economic Justice in an Unfair World* is an interesting book, it is not a great book. Obviously, judging from weak sales and limited references in the subsequent literature, it failed to make a dent in the landscape of globalization studies. The author did not achieve a theoretical tour de force, like the philosophers from which he draws inspiration. Nor did he succeed in changing the terms of public debate--Ethan Kapstein is no Thomas Friedman, of "The World is Flat" fame. His book stays in between philosophical speculation and economic description: too complex

for busy readers, too practical for academics. Likewise, his policy prescriptions will look insufficiently ambitious for cosmopolitans, who would advocate for a more ambitious reshuffling of the political order; but it will also frustrate neo-realists who focus on the national interest without much consideration for global public goods. Ethan Kapstein might get a second chance to make his point: watch out for his next book, and skip this one in the meantime.

Recent years have seen a growing number of activists, scholars, and even policymakers claiming that the global economy is unfair and unjust, particularly to developing countries and the poor within them. But what would a fair or just global economy look like? *Economic Justice in an Unfair World* seeks to answer that question by presenting a bold and provocative argument that emphasizes economic relations among states. The book provides a market-oriented focus, arguing that a just international economy would be one that is inclusive, participatory, and welfare-enhancing for all states. Rejecting radical redistribution schemes between rich and poor, Ethan Kapstein asserts that a politically feasible approach to international economic justice would emphasize free trade and limited flows of foreign assistance in order to help countries exercise their comparative advantage. Kapstein also addresses justice in labor, migration, and investment, in each case defending an approach that concentrates on nation-states and their unique social compacts. Clearly written for all those with a stake in contemporary debates over poverty reduction and development, the book provides a breakthrough analysis of what the international community can reasonably do to build a global economy that works to the advantage of every nation.

"Anyone who wants an introduction to questions of moral economic philosophy would do well to start with his book. Kapstein writes in lucid prose, without the turgidity that often renders the subject as inviting as a cold bath. He makes a long-overdue challenge to the West's consensus that the aim of aid and of developing countries' own development efforts should be to reduce poverty, and that this reduction should be achieved not via industrialization and economic growth but by policies focused on poverty."-- Robert H. Wade, *Foreign Affairs* "[This] is a stimulating, well-researched book combining economic analysis, political philosophy, and contemporary policy. . . . It [has] an ambitious theme and the author pursues it with originality."--Richard Jolly, *Ethics and International Affairs* "As *Economic Justice in an Unfair World* is perhaps the only truly complete philosophical treaty on economic justice that has come out of academia in the last twenty years, this book simultaneously marks the rebirth of ethics as a field of relevance and injects long overdue academic rigour into the often emotionally driven overly populist debate about globalization. . . . [A] real must-read for anyone interested in the frontiers of economics and philosophy."--Business Finance "Economic Justice is an important contribution to the debates on how to level the playing field in international relations."--PsyncCRITIQUES From the Back Cover "In charting a politically feasible course toward a fairer world economy, Kapstein demonstrates that a better future is within our grasp. This is must reading for all those concerned with economic development and international economic relations."--Nancy Birdsall, president of the Center for Global Development "A clear, accessible, and first-rate contribution to the debates surrounding fairness in the global economy and ethics in international affairs."--Michael Barnett, University of Minnesota "The globalizing economy is offering exciting opportunities to some, but that is little comfort to the millions who are sinking ever deeper into poverty. What should the wealthy world do? Ethan Kapstein offers an answer that combines a powerful critique of ideas about international justice and a hard-headed alternative solution."--Ngairé Woods, Oxford University "For many years the development community has been making the humanitarian case for increases in foreign aid and for public policies that target global poverty reduction. Now in this important book, Ethan Kapstein demonstrates that these measures are also in the self-interest of the world's most powerful nations. In charting a politically feasible course toward a fairer world economy, Kapstein demonstrates that a better future is within our grasp. This is must reading for all those concerned with economic development and international economic relations."--Nancy Birdsall, President, Center for Global Development About the Author Ethan B. Kapstein is the Paul Dubrue Professor of Sustainable Development, INSEAD, Fontainebleau, France; and a visiting fellow at the Center for Global Development, Washington, D.C. He is also a Senior Adviser to the Carnegie Council on Ethics and International Affairs, and, during 2003-2006, a Transatlantic Fellow of the German Marshall Fund of the United States.