

Inequality, Economy and Care: A Focus Shift

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The concept of inequality expresses difference, i.e. a condition that is not the same for all, reflecting a variety that mutually enriches our humanity and that popular wisdom in some countries defines as the “beauty” of the world. Because it implies a disparity between equals, however, inequality can induce undue dominance of some over others, causing dissatisfaction and opposition. From an economic point of view, although inequalities among countries have gradually decreased worldwide, there are deep gaps still evident in some sectors like health care, where, for instance, what are rare or unknown diseases in rich countries are still responsible for the death of many in poor countries. To cite an example, in 2015, tuberculosis, a so-called curable disease, was still the cause of an estimated 1.4 million deaths with an additional 0.4 million more among people living with HIV.¹ That year, it remained one of the top 10 causes of death worldwide. Among the Sustainable Development Goals (SDGs) for 2030 adopted by the United Nations is ending the global TB epidemic. The WHO (2016) reports that at least US\$2 billion per year is needed for TB research and development, while funding from 2005 to 2014 never exceeded US\$ 0.7 billion.

However, the factors that feed the gap between the rich and the poor within nations, reducing the welfare of society and perpetrating today’s inequalities, are not purely economic. The case of TB is one concrete example that offers the opportunity to further reflect upon two dynamics pointed out by the Scottish economist and 2015 Nobel Prize winner Angus Deaton

(2013). First, there is a need for specific drugs and there is the technical possibility of developing them. The WHO (2016) states that there are currently nine drugs in advanced phases of clinical trials for the treatment of drug-susceptible and drug-resistant TB and 13 vaccine candidates in clinical trials, including candidates for prevention of TB infection.² However, the technology might not be directed in the right way. In the case of tuberculosis, in fact, there may be no incentive for pharmaceutical companies to develop such drugs, because “the potential purchasers are poor” (Deaton 2013:320).³

The second dynamic Deaton called “the hydraulic approach”, that is, the waste of substantial financial aid from foreign countries that ends up corrupting district politics and hindering local development rather than enhancing it. Deaton delivers his *J'accuse* against those forms of crony capitalism whose collusive mechanisms creep into the government and legislative systems of poor countries (as well as rich ones) preventing an equitable redistribution of resources and the pursue of the common good.⁴ These forms, which can also be called “structures of sin”, are rooted in human attitudes rather than in scarcity of resources. They come from *within* the economic agent and are the fruit of his or her morally defective habit that is operative at the *micro* (personal) level, but also affects the *meso* (organizational) and

² *Ibidem*.

³ The theme of the recent XXXI International Conference organized by the Pontifical Council for Health Care Workers was closely connected to this topic: “Towards a Culture of Health that Is Welcoming and Supportive at the Service of People with Rare and Neglected Pathologies”, Vatican City, 10-12 November 2016.

⁴ Deaton reiterated this concept in his participation at the Conference “Towards a more Human and Just Economy”, which was held at the Italian Embassy to the Holy See in Rome (Palazzo Borromeo), on September 21, 2016.

¹ According to WHO, in 2015 six countries accounted for 60% of the new cases, namely India, Indonesia, China, Nigeria, Pakistan and South Africa. The BRICS countries (Brazil, the Russian Federation, India, China and South Africa) collectively account for about 50% of the world’s TB cases.

the *macro* (systemic) level.⁵ One might define these habits as “capital sins”. In the economic context, for instance, they are manifested in avarice, as indicated by another well-known Italian economist (Zamagni 2009), in envy and in pride. They testify to a *homo oeconomicus* in pursuit of individual profit in an uncontrolled manner. Today they do not seem to find enough social disapproval or severe sanction. For this reason, they can become “chronic” within a country, fueling disillusionment and resignation among society members, and eroding a key economic factor, which is trust. Such dynamics leave very little room for Adam Smith’s “sympathy”, which was founded precisely on the approval and disapproval of others, and that regulates individual behaviour directed to pursue one’s own interests, for “... nothing pleases us more than to observe in other men a fellow-feeling with all the emotions of our own breast; nor are we ever so much shocked as by the appearance of the contrary” (TMS I.I.14).

Both dynamics described above—the possibility of making needed specific drugs but no desire to do it, and the “hydraulic effect”—are nurtured by a profit-driven mindset that leads one to lose sight of the *nature* of the good that is being produced, i.e., medical treatment, and the *end* that is being pursued, i.e., restoring health and preserving human lives. Here it is claimed that the laudable invitation to “rethink capitalism” launched by many economists among whom, more recently, Jacobs and Mazucato (2016), cannot overlook the need for a profound and urgent cultural transformation.⁶ Two aspects seem particularly relevant here to be used to orient this transformation and re-focus the attention of both economic agents and public institutions, whose role in economic de-

velopment is acknowledged to have grown beyond classical economics’ *laissez faire*.

First, these harmful dynamics find less fertile ground in a societal system where the definition of economy espoused by economic agents corresponds to the production, distribution and exchange of goods and services to satisfy common and fundamental human needs, such as good health, rather than to the individual and rational allocation of scarce resources to maximize one’s own interest (Manzone 2016:96-103).⁷ The former, in fact, allows more space not only to identify basic needs, but also to include among them those closely connected to the physical and psychological fragility of the human being who is subject to ageing, disability and illness, times of dependence and environmental influence. This is especially necessary in view of the demographic and epidemiological changes that have characterized the past century and have seen a worldwide increase of the over 60 and over 80 population, together with a greater incidence of chronic and long-term neurological diseases.

Second, the adoption of a definition of economics that satisfies human needs naturally leads to a renewed emphasis on the value of care as a factor that can restrain some of the excesses of capitalism. In this case, care should be intended more broadly as a general practice that is not restricted to traditional “caring functions”, but can be applied to both health care and business ethics. In Virginia Held’s definition (2006:10), this can be translated into the market as a core focus ... “on the compelling moral salience of attending to and meeting the needs of the particular others for whom we take responsibility”. A basic shift is necessary in so far as interests of individuals must be seen “as importantly intertwined rather than as simply competing” (Held 2006:15). Of course, in this perspective of responsiveness to need, those who are more vulnerable to society’s choices

⁵ That is why Manzone affirms that the ends pursued by economic actions should be ethically justifiable on all three levels: micro, meso and macro (2016:119).

⁶ On December 3, 2016, in his address to the participants in the Fortune-Time Global Forum on the theme “The 21st-Century Challenge: Forging a New Social Compact”, Pope Francis reiterated that “the renewal, purification and strengthening of solid economic models depends on our own personal conversion and generosity to those in need”.

⁷ As Manzone points out, the integral development of a person requires a balanced system of material, social and spiritual needs beyond the maximization of subjective preferences (2016:102). Nevertheless, health remains a necessary condition for human flourishing.

and their outcomes must be given particular consideration (Gatzia 2011:74), calling to mind John Rawls' Theory of Justice (1971) and his difference principle. From Adam Smith to Amartya Sen, it is acknowledged that in their rational choices human beings can also be moved by "sympathy", i.e., their individual capacity to feel *for* and *with* the other, and "commitment", i.e., their ability to assume a moral obligation far beyond the maximization of profit and their personal benefit and more consistently with their moral principles (Bruni and Zamagni 2004:91-99; Sen 2015:174-193; Terjesen 2011).

It is this trait of a "caring economy" which pushes pharmaceutical companies to find creative ways to invest in drugs to prevent tuberculosis or other neglected diseases, possibly accepting a more contained return. It is this same trait that allows to consider bridging inequality gaps as a plausible complement objective of the production and distribution of some basic goods and services. Finally, it is this trait that can strengthen a new category of relationality within civil society and build a renewed sense of mutual trust beyond the culture of indifference.

While economic inequalities spread fear of the future, increasing uncertainty and vulnerability, a caring attitude extended to economics can help reawaken a natural inclination to fraternity, solidarity and mutual support, which is the substrate of our *humanum*. How can such cultural transformation be fostered? By educating, training, informing a new virtuous political leadership that can perform its triple function: a) strengthening basic ethical standards of honesty and mutual respect; b) defining economic objectives based on fundamental needs and reflecting further on their prioritizing; c) allowing the market to pursue its primary and indispensable task, that is, to identify the means to fulfil those needs. It is a long-term job, requiring one's patience and ability to manage scarce resources without necessarily maximizing the outcome. It is a compulsory, concrete expression of intra- and inter-generational solidarity that can begin to erode the foundations of those di-

verted and deviant "structures", which damage both men and their economies.

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