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EQUALITY

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No one of us would deny that in the eyes of God we are all equal; the spiritual rain falls on the good farmer and the bad farmer alike. Political equality - one man one vote - is also accepted as the basis of a just society, even though it is denied in those societies we recognise as unjust, and is in abeyance in some others whilst still acknowledged as desirable when honest men can be found to give it substance.

Are we now ready to recognise that economic equality, the equal distribution of the social product, is also to be accepted as the ideal in a just society? Its many advocates, leaders of thought and action, might have convinced us long since were it not for the existence in every society of powerful vested interests in maintaining and increasing the inequality of present and prospective privileges.

Economic equality is a policy of distribution. It does not postulate that "all men are equal" in their physical, intellectual or other endowments, nor in their ability to contribute to the social product. It does not assume or require uniformity in tastes, styles of life or consumption although it does assume, having no proof to the contrary, more or less equal capacity to enjoy the good things of life which spending power can purchase. And it is not the same thing as equality of opportunity. It proposes that every person in a society should receive an equal share, measured in value terms, of the total social product as his or her income.

Absolute and precise arithmetic equality of distributive shares is in practice difficult to achieve, but approximate equality can be attained and any move towards egalitarian distribution is a move towards a more equitable society. It can also be demonstrated that it is a move towards a greater sum of human satisfaction since the more intense needs of the poor man are then met only at the expense of the less intense pleasures of the rich man.

responds to supply and demand without regard to equity or to social values, deprives such a society of the incentive to increased production generated by a sense of justice and the conviction that each will get his fair share (i.e. equal share) of the larger social product. Egalitarian distribution totally eliminates any advantage to any individual to be derived from monopolistic restrictions of output or restrictive trade union practices. The increase in the social product which might accrue from such economic liberation might well be greatly in excess of the loss of output resulting from an abandonment of economic incentives to increased production based on differential wages and salaries.

The creation of capital by incentives to private saving, and personal gain thereby, has proved inefficient and inadequate and has resulted in misapplication of capital when judged by the criterion of social benefit. Under a system of egalitarian distribution, the creation of capital would be a function of government and a prior charge on the social product before distribution for consumption takes place.

In a fully evolved egalitarian society the price mechanism would, of course, be retained as an instrument for determining the precise collection of goods and services which each individual receives as his (equal) share, in value terms, of the social product. Shadow prices for factors of production would determine their allocation but would not decide the incomes of the factors. In the transitional stage, the mixed economy would continue to operate with some private ownership of some factors of

production but the unequal sharing of the social product resulting from this would be corrected by steeply progressive taxation of incomes and by a continually enlarged public sector producing goods and services which would be distributed on an egalitarian basis, as for example free public education for everyone to as high a level as the society considered it could afford.

Although the institutions of an equitable society based on spiritual, political and economic equality are still only in their embryonic stage of development, there is every indication that man's ingenuity can eventually bring them to birth if the so wills.

Appendix I:Some Other Views on Equality

So distribution should undo excess
And each man have enough.

A dramatist - Shakespeare: King Lear.

The first and last commandment of Socialism is
"Thou shall not have a greater or less income than
thy neighbour" ... The object of Socialism is simply
equality of income ...

Another dramatist -- Bernard Shaw: Intelligent
Woman's Guide to Socialism and Capitalism
(".. my demonstration that Socialism is
economically a theory of distribution,
and that from every practical point of
view the only solution is equal distribution...")

It is evident that any transfer of income from a
relatively rich man to a relatively poor man of
similar temperament, since it enables more intense
wants to be satisfied at the expense of less intense
wants, must increase the aggregate sum of
satisfactions.

An economist - A.C. Pigou: Economics of Welfare.

If we could instantaneously be transported to a
society in which all differences of income had been
halved, we might well find that it would work just
as well and be a lot happier. The problem is to
get there.

Another economist - Charles Carter: "Equality of
Spending Power" in The Friend.

Some, no doubt, require more, in a material way, and some less, and in a society marked by perfect insight more or less would be given accordingly. But until that stage has been reached, if ever, equality is the only safe rule - the only thing to aim at: equality in worldly goods, equality in external instruments for developing the inner personality, equality in everything that human resources can provide: an equality modified, never by inequality in the means to achieve it, but only, as it may turn out, by inevitable variations in physical or spiritual or intellectual endowments.

A publisher - Victor Gollancz: My Dear Timothy.

"Choose equality and flee greed". On the one side, in fact, inequality harms by pampering on the other by vulgarising and depressing. A system founded on it is against nature, and, in the long run breaks down.

A poet - Matthew Arnold: "Equality" in Mixed Essays.

It is still sometimes suggested that "the glaring inequalities of fortune and opportunity which deface our present civilisation" (Pigou) are beneficial, irremediable or both together. Innocent laymen are disposed to believe that these monstrosities, though morally repulsive, are economically advantageous, and that even were they not, the practical difficulties of abolishing them are, too great to be overcome. Both opinions, it may be said with some confidence, are mere superstitions, for which no shadow of convincing evidence has yet been adduced.

A historian - R.H. Tawney: Equality.

Equalisation in the sphere of consumption and personal life is reactionary petty bourgeois nonsense, worthy of some primitive set of ascetics but not of a socialist society.

A statesman - Joseph Stalin quoted in
Equality by David Thompson

We are endeavouring to speedily bring to reality the dreams and visions associated with Ghana from its very birth.

We seek to create here a truly egalitarian and just society.

Another statesman - Colonel I.K. Acheampong address to the United States Ambassador, Mrs. Shirley Black, quoted in the Daily Graphic on 7th December, 1974.

Appendix II: Inequality of Income

		Share of G.N.P. going to Lowest 40%	Population going to Top 20% of	% of total Population Below Poverty Line
<u>High Inequality</u>		Population (pre-tax income)		(\$75 p.a. per head in 1969)
South Africa (1965)	6.2	58.0		15.5
Irag (1956)	6.8	68.0		33.3
France (1962)	9.5	53.7		Nil
Sierra Leone (1968)	9.6	68.0		61.5
Kenya (1969)	10.0	68.0		?
Ivory Coast (1970)	10.8	57.1		28.5
Tanzania (1967)	13.0	61.0		72.9
 <u>Moderate Inequality</u>				
Sweden (1963)	14.0	44.0		Nil
Zambia (1959)	14.5	57.0		7.5
Germany (F.R.) (1964)	15.4	52.9		Nil
India (1964)	16.0	52.0		66.9
Uganda (1970)	17.1	47.1		49.8
 <u>Low Inequality</u>				
Yugoslavia (1968)	18.5	41.5		Nil
U.K. (1968)	18.8	39.0		Nil
U.S.A. (1970)	19.7	38.8		Nil
Japan (1963)	20.7	40.0		Nil
Poland (1964)	23.4	36.0		Nil
Czechoslovakia (1964)	27.6	31.0		Nil

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