

Report of a Consultation

Political Economy, Ethics and Theology: Some Contemporary Challenges

organized by the Commission on the Churches' Participation in  
Development and the Department on Church and Society of the  
World Council of Churches

Paulus-Akademie, Zürich

June 5-10, 1978

Table of Contents

- I Ecumenical Concerns in Relation to Current Economic Questions
  - II Some Values for Political Economic Thought
  - III An Enlarged Frame of Reference
    - Justice
    - Participation
    - Sustainability
  - IV Towards Justice through Physical Sustainability and Limited Inequality
  - V Towards a New Paradigm in Political Economy
    - A Critique of the Current Paradigm
    - Outline of a New Paradigm
    - The Challenge to Economic Thought Today
  - VI Further Exploration
  - VII Recommendations
- Appendix: List of Participants

## Political Economy, Ethics and Theology: Some Contemporary Challenges

- Report of a Consultation -

### I. Ecumenical Concerns in Relation to Current Economic Questions

It is time for the ecumenical movement to make afresh a critical review of economic questions. A number of problems have arisen in both the developed countries and the developing countries, and in their inter-relationships. Current political, economic and social thought provides no clear answers to many of these questions. Models and theories of the past do not fit all the facts. Problems of poverty and injustice persist. Even affluence has become problematic, coupled with inflation or unemployment on the one hand, and deterioration of human relations on the other. New insights about the finiteness of resources and the fragility of the environment have raised new issues. As a result, world economic thinking is now at a turning point.

It is in this context that a group of economists, social thinkers and theologians have met to consider the nature of economic paradigms, and their correlation or lack of correlation with current political economic reality, viewed in the perspective of Christian faith.

In this document a paradigm is understood to be a basic image, an intellectual model used to interpret reality and guide action. From it arises a cluster of interrelated propositions accepted as a conceptual framework for analyzing, understanding and predicting phenomena. Paradigms may co-exist in competition with each other, or in a complementary relationship. Paradigms are determined by some general consensus among practitioners of a discipline. Advocates of an ideology or world-view also develop a consensus around paradigms. Cultural factors are an inescapable component of such a consensus. Assumptions about interpersonal and social relations as well as about the relation of humanity to nature underlie such a consensus. There is a need to re-examine continually the meaning of paradigms and the social values they embody.

The ecumenical movement has historically been concerned with many aspects of political economic thought and structures. This concern has included a desire to understand more clearly political economic reality and thought as they exist, to search for ways to vitalize political economic analysis by reference to ethical norms inspired by a faithful interpretation of the Gospel, and, therefore to press for change that will bring justice in the world.\*

---

\* "Political economic" is used here as the adjectival form of the noun-phrase "political economy"; for this reason the two words are not linked by a hyphen or a conjunction.

However the present level and scope of the ecumenical concerns - expressed by a Just, Participatory and Sustainable Society - are greater than at any previous time. A series of pressures and influences have come together to create a growing unease about the nature and direction of political economic events and about the adequacy of current paradigms of political economic analysis for explaining or guiding them.

The struggle for economic improvement has for some time been a major preoccupation, accentuated by the failure of current economic growth and modernization paradigms, in a wide variety of countries (not excluding socialist countries), to provide an adequate framework for effective human fulfilment. The malaise over the direction of development policies has also been heightened by the growing awareness of communities and individuals that underdevelopment and development are interrelated - the two faces of the same coin.

Until recently the developed market economy countries were primarily preoccupied with the frictions and problems arising out of what were in general apparently successful economic growth policies. However, since the beginning of the 1970's four major factors have removed the sense of achievement and success, replacing it with doubts - and even alarm - about the possibility of achieving previously set objectives or of actually controlling and managing the political economic system. One is the cluster of issues encompassing ecology, resource limits and physical sustainability. The second is the set of economic factors signalling policy failure: low or no economic growth, very high and chronic unemployment levels, structural employment problems, recurring waves of inflation and precarious balance of payments situations. The third is the growing awareness of the effect of transnationalization of capital and processes of production, accelerating profound changes in the international division of labour. The fourth is a recognition of the importance of institutional and political factors as vital determinants of patterns and rates of economic development; there has been a tendency to keep these considerations out of the economic calculus by labelling them 'non-economic'.

In reaction to these four factors, many in the developed market economy countries, as well as elsewhere, now feel acutely the need for a reappraisal of the assumed goals, and the need for a more critical understanding of the nature of the consumer goods society to which so many millions of Christians find themselves committed. Such a reappraisal is seen both as a part of the task of assessing the extent to which such a society is justifiable and as essential to theoretical understanding of the system, if it is to change.

The doubts go deeper still. There is a growing awareness of the need not only to reconstruct political economic theory but to do so in the widest possible context of changing social and cultural structures, since the accepted system of political economic analysis is now being recognized for what it is: a derivative of the wider social cultural system. If this reasoning is valid, it can be extended with added force to the international context. The time is past when world political

economic problems could be analyzed by applying a Western-based view to both the developed market economies and the developing countries. The increasing intellectual input from the developing world, the socialist world and a new critical awareness in the West itself is not only challenging the validity of applying Western-type models to these economies but also revealing the limitations of these theories in the West itself.

## II. Some Values for Political Economic Thought

Any consideration of the values underlying economic thought has to begin with a statement of the goal and the norms of political economic activity. The goal could be defined as the enhancement of the quality of human life, both personal and social, in the process of human beings' creative interaction with each other and with their environment.

The following concerns are central in the evaluation of political economic activity, its norms and theoretical perception:

1. Persistent injustice: expressed in inequality in the distribution of power, wealth and knowledge; in the prevalence of structures of domination and dependence; in the growing concentration of power in governments, corporations, national and transnational bureaucracies and individuals; in the exclusion of the majority from the benefits of growth and in the exploitation of the many by the few. At this stage of human history striving for greater justice is the highest priority value in planning for the organization, institutions and processes through which political economic activity is carried out.

The striving for greater justice starts with the establishment of the norms for production, distribution and consumption which regulate the economic machinery. Justice cannot be introduced only after production is completed. This involves four major considerations:

- (a) The power of individuals to participate in the decisions that affect them has to be acknowledged and not suppressed;
- (b) elimination of inequalities in income and wealth, including the possibility of fixing permitted maximum as well as guaranteed minimum levels;
- (c) acceptance of greater self-reliant action;
- (d) reduction of damage to the biosphere from pollution, resource depletion, upsetting of ecological balance; and its maximum maintenance and improvement for the benefit of present and future generations.

2. The coexistence of affluence for one third of the human population side by side with misery for the majority raises questions that go beyond mere symmetry in justice. Three problems have to be considered:

- (a) Increases in material consumption of affluent individuals and communities are counter-productive in terms of human well-being, yet societies are aggressively promoting the philosophy of growth in terms of targets; such aggregate performance criteria, at best, do not address and, at worst, compound inequality;
- (b) The known resources available, the high and increasing level of scarce resource use and waste prevailing in affluent societies are leading to quite serious shortages and to an adverse environmental impact. The further question arises: As these materials are bid away from poor countries and contribute to a deteriorating environment, how can the minimum needs of the majority of the world's peoples be satisfied in this situation?
- (c) How is the transcendent ideal of the Kingdom of God, which envisages a society where social concern would be the motivation of production, to be related to a productive system motivated mainly by restricted interests of individuals or collective élites?

3. These considerations lead to other relevant questions:

- (a) What is the best institutional arrangement for the ownership of large-scale means of production? Private? State-owned corporations? People-owned and people-controlled enterprises?
- (b) How shall the concentration of power demanded by high technology and complex organization be made accountable to the people and be regulated by them in the common interest? How might human knowledge (including science and technology) best be socially controlled and used in the service of humanity? Should the option of lowering high technology be considered, if easier social control can be introduced?
- (c) How do we assure that economies generate full employment and keep the inflation rate manageable in view of the fact that unemployment and inflation increasingly seem to become endemic to the market economy system?
- (d) How do we ensure that economic activity satisfies the needs of all rather than providing a choice of luxuries for the few?
- (e) What means can be developed to ensure that the full social costs and benefits (including those not usefully reduced to some common denominator, such as monetary equivalent) of a particular mode of production are taken into account?
- (f) How can the balance between the production of consumer commodities, on the one hand, and public or communal services like health care, education, transportation and recreation, on the other, be adjusted in the interest of human well-being?

The above questions may not have answers that would fit all situations. But in each situation they need to be asked by the people (not just by the

"experts") and answered by them. All values reflected in these questions are grounded in a Christian concern for the well-being of humanity. The Christian assumption is that the human being, both individually and corporately, is capable of both good and evil, and that each generation, as stewards of creation, has a responsibility to God for contributing to the struggle for more justice in society; for naming and struggling against the principalities and powers which in varying institutional manifestations confront every human society.

### III. An Enlarged Frame of Reference

Three concepts have emerged in the ecumenical debate as normative to a vision of the future society: justice, participation and sustainability. We begin with a consideration of these.

#### Justice

The nature of justice has been discussed for centuries. In the West, the Roman notion of justitia has usually been dominant - the ideal of "fairness" of everyone being given his/her due (suum cuique). This conception has been basically atomistic and distributive.

The Old Testament conception of "righteousness", for which the prophets battled, was applied more to Israel as a commonwealth than to individuals. In the name of "righteousness" they challenged the injustices of a society in which the poor went hungry and were exploited by the rich. This social understanding of righteousness as related to structures of political economic organization needs special attention at this time.

In the New Testament (see e.g. Luke 1:51-53; 4:18; 5:20-21; 5:24-25; 18:24; James 2:1-7; 4:13-5:6), justice means the vindication of the poor and the oppressed. Thus the Gospel leads Christians to a commitment to an equitable society in which every human being has significance and dignity and where none is oppressed. This vision should not be reduced to mere equality of opportunity for all individuals to compete without hindrance. Such equality has only helped the clever and the mighty to get even further ahead and to create a power élite which oppresses and exploits others.

Justice is inseparable from the Christian concept of love or agape, which means, among other things, creative sympathy for the suffering and the oppressed, siding with them and furthering the interests of others even at the expense of one's own. The Latin equivalent of agape, caritas, is the source of the English word "charity", whose meaning has often been perverted in the churches. It has frequently been misinterpreted to mean optional, individual charity to those in need, without any reference to efforts to correct the structures which created that need. In our time, the concept has taken political economic shape as optional voluntary aid from nation to nation. This can be no substitute for dealing with the international structures which give rise to the need. The demand for justice applies to structures of relationships between nations, within nations, between regions and groups in a nation, and so on.

At every stage in history economic and political institutions and structures have been the instruments that have mediated the level of justice in a society. They are therefore the focus in the identification of the key areas in the struggle for justice. Hence the importance for Christians of seeing that it is in history that the word of God, both to individuals and structures, is encountered and the tension between human obedience to the Gospel and human sin is experienced.

### Participation

The pursuit of justice goes beyond distribution and involves participation in deciding what is produced and how it is produced. As people become involved in making decisions in a society, they see the need for structural change at every level especially when questions of development are involved.

Both the existing free market and the centrally planned economies make some provision for participation. However, the principle of consumer sovereignty - the predominant form of participation in capitalist societies - is neither adequate nor truly operational in systems which are characterized by concentrated economic power. Nor do central decision-takers always either know or act upon the people's perception of their needs.

Production based on modern high technology is extremely complex and often demands large-scale organization. The interest of greater efficiency and that of larger participation seem thus to come into conflict. The search for appropriate technology is an attempt to combine technological efficiency with adequate social control in such a way that the obstacles and difficulties to be manageable and comprehensible at the local communal level can be surmounted. Even where large-scale units are essential, means must be found to involve the people in the decision-making processes related to production. Complex industrial organization requires new and more complex patterns of participatory social organization. The power of capital and technology must be counter-balanced by the power of social and political institutions to control and regulate them. This does not imply that individuals and groups will always reach a common mind. Nor does it mean that the decisions made will necessarily be wise, or that they will always be taken in time, if participation proves a lengthy process. These are inherent hazards.

While there is growing demand for decentralization and participation, the trend in industrial societies is towards greater concentration of control. The growing sense of powerlessness on the part of people to control the political economic process or to change structures is not mitigated by the power of the vote alone, although this is the major component of political processes in many societies. If participation is not to be eroded by the dynamic of technology and industrial production, new structures beyond the present electoral systems must be found.

## Sustainability

Sustainability includes issues like the right use of finite resources, the right understanding of the interrelation of humankind with nature (the environment, the biosphere) and the use of technology for the conquest of nature, and the way in which the technical domination and maintenance of nature has contributed to the liberation of people, but also to their domination.

While justice points to the necessity of building societies that will endure, of correcting maldistribution and overcoming the gap between rich and poor within and between countries, sustainability points to humanity's dependence upon the earth, and the way in which world society organizes itself for developing natural resources. However, there is a close relation between the two. "A sustainable society which is unjust can hardly be worth sustaining. A just society that is technologically and ecologically unsustainable is self-defeating."

A sustainable society is conceived as one in which the number of people, the rate of use of resources, and the rate of pollution of the biosphere are within the capacity of the earth to support and in which an acceptable quality of life could be sustained indefinitely for all people. As the report of Section VI of the Nairobi Assembly stated: "This will involve a radical transformation of civilization, new technology, new uses of technology and new global, economic and political systems."

At first glance, unsustainability may seem to arise primarily from increasing consumerism and the rate of economic growth alone. But closer examination reveals as well the confluence of forces which drive the system towards an ever-increasing accumulation of capital in private and state hands without social control. Competitive industrialization, without societal goals defined by the community, leads to the increasing misuse of science and technology, a fostering of a constantly enlarging demand for consumer "goods", supported by a never-ending stream of new products answering a mix of real and artificial needs. All this leads to a narrow kind of economism with the result that people are tempted to limit their horizon to mere economic objectives, contributing, therefore, to an increasing alienation of people. When the competition accumulation and the quest for profit orient the administration of science and technology the result is the exploitation of natural resources (the material environment) within the short-time horizon of return on capital, be it private or public, rather than within the long-time horizon appropriate to the interests of humanity and the whole of society.

Equally important is the fact that a world as heavily armed as it is today is a permanent threat to sustainability. Economic considerations must take into account both the frightening destructive potential of armaments and the colossal waste of resources and human effort that they now entail. It should also reckon with the linkage between the manufacture and trade in armaments and the industrial system. These issues are discussed in the Report of the WCC Conference on Disarmament (Glion, April 9-15, 1978).

#### IV. Towards Justice through Physical Sustainability and Limited Inequality

Justice has to do with the production and distribution of the fruits of human efforts and nature's bounty, not only by and among people now existing but also between present and future generations. Justice over time requires sustainability. This dimension has been neglected, because the heavy reliance of the present technological and economic systems on non-renewable resources has only recently been recognized and the time when they will be exhausted cannot be known precisely. Moreover, the scale and rate of growth of these economies have led also to the exploitation of renewable resources beyond their capacity. Grasslands are overgrazed and converted into deserts, a process which antedates the industrial era. Croplands are mined of their nutrients or paved over for non-agricultural use; fallow cycles are shortened in order to increase current production; the forest area is reduced by the pressures for firewood, lumber and paper; and the fisheries of the ocean are being depleted by over-fishing and pollution to the extent that the world catch has decreased in recent years in spite of augmented fishing efforts. Even more serious than the limited capacity of grasslands, croplands, forests and fisheries to supply inputs for future growth is that the capacity of eco-systems to absorb inevitable waste is being over-used, leading to a reduction of their ability to supply clean air and water.

There is a major debate on the degree to which technology, costs and prices, and management can, and are likely to, reverse, halt, delay or, for that matter, accentuate this deterioration of both the renewable and non-renewable resource base. Moreover, even though some of these threats may be pushed to a point so far in the future that they are of little help to the present generation in shaping its perspective, other limits may be far more stubborn and close at hand and ground for imminent concern.

The present pressure on the biosphere in general and on resources in particular comes primarily, though not exclusively, from a minority of humankind that seeks to sustain a morally unjustifiable scale of consumption for itself. Consideration of population pressures in all societies should not be dissociated from the enormous differences in levels of national consumption. Both are relevant to any scheme for preventing the erosion of the earth's finite capacity to support human life in the future.

Justice demands an equitable system of production and distribution among all in the present generation, as well as between generations. A permitted maximum and a guaranteed minimum level of income and consumption would be a step forward in the struggle for greater equality. Thus far the levels which exist have been considered only within each society; but today equalization between different societies has become one of the critical issues. It would call for drastic changes in values and attitudes as well as in national and international structures. The churches are becoming aware of the lessons learned by Christians living within the various socialist patterns of political economic organization and their efforts to solve the problems of justice, participation and sustainability.

## V. Towards a New Paradigm in Political Economy

### A Critique of the Current Paradigm

The paradigm of political economy currently prevailing in Western industrialized societies, and influential in many others, can be criticized in three broad respects: it gives insufficient weight to the historical (and spatial) dimension, it relies on a reductionist approach, and it defines its area of concern too narrowly. More specifically:

1. The prevailing paradigm makes particular assumptions about the humanity-nature relationship, which is conceived uni-directionally as one of domination and utilization. The new paradigm will have to be based on a more reciprocal understanding of that relationship, with more respect and care for nature.
2. The prevailing paradigm, for historical reasons, has in practice served primarily the interests of a minority of the world's people. A new paradigm should be consciously weighted in favour of the majority who are now victims of the system.
3. The system sees accumulation and growth as the primary means of staving off unemployment.
4. Resource exchanges are assumed to be most efficiently carried out through market mechanisms. As a consequence, the attempt is made to solve as many problems as possible within the framework of this institution.
5. It is assumed that economic agents behave rationally and pursue their individual or institutional self-interest exclusively, and that this activity results in the achievement of the greatest good for the greatest number.
6. It is assumed that consumer demand depends on consumer sovereignty, and is motivated by the satisfaction of independently determined individual wants.
7. Resort to equilibrium analysis minimizes attention to critical real world adjustment problems in the short or long-run analysis.
8. The system incorporates no moral judgement about what is produced or who consumes how much. Income distribution is regarded as incidental to the organization of production.
9. Through its self-imposed limitations, the paradigm gives insufficient attention to the effects on economic activity of key social and political ingredients such as the role of institutions, concentration of power and the existence of class structures.

### Outline of a New Paradigm

Clearly, there is need for a new paradigm that would correspond to the operational requirements of a just, participatory and sustainable society and inspire new understanding of the dimensions of poverty in the world and the demands of the Gospel.

#### Proposition 1. Reinstating the historical and spatial dimension

(a) Economic analysis must have a long-term perspective bringing in those variables hitherto kept constant, i.e. population, resources, etc.

(b) The time dimension must be introduced not as a hypothetical category (i.e.  $t_1, t_2 \dots t_n$ ) but as a historical reality. Political economy must address itself to what is likely to happen next in time set in the context of what has happened. The interaction between past and future is basic, but does not take the form of simple repetition or linear projection.

(c) The importance of this view to developing countries is that while their history is inevitably tied up with the history of developed countries (which is why they must always claim the right to seek to influence the course of developed countries), their experiences are bound to be different. Rather than looking for general laws germane to all societies and for a generally valid historical sequence, it must be accepted that the next stage of development for each country is likely to contain a uniqueness due to different modes and times of integration into the international economic system.

#### Proposition 2. Towards an integrative view

(a) The "reductionist" approach prevailing in economics is bound to fail when an attempt is made to solve the most pressing problems of our present world; the reason is that there are manifold interdependences in social systems which - when not taken into account - may (and often will) produce counter-productive outcomes. An integrated thinking is required which makes use of systems methods as well as other approaches that take account of cumulative and reciprocal relationships.

(b) Since the problems reach into various areas, various social systems, as well as the interactions among them, must be theoretically and empirically assessed. The research required is by its nature interdisciplinary. As an instance of specific relevance: increased welfare (improved health, nutrition, etc.) will have a positive effect on the labour productivity. Income redistribution (in favour of those who had not attained even minimum standards) will therefore increase the productivity, hence output. This is a blow against the classical - neo-classical doctrine which holds that consumption must be curtailed in order to increase investment, and as a result production, and consequently postulates unequal income distribution as a conditio sine qua non. This simplified assumption is not justified in a historical situation where labour is the major factor of production.

(c) A holistic view should shift its focus from self-interest to common social concern for the well-being of all, as the basic motivation for economic activity. This is not a question of distributive justice alone, but has to do with the values generated or reinforced in the process of production itself. An integrative view which takes into account more variables and at the same time seeks to continue the present pattern of economic organization with dominance by the few has no ethical justification.

Proposition 3. Economics must again become political economy

(a) An integrated view implies an analysis of the interactions of the social, economic and political systems. Clearly, this includes the analysis of the power relations, power structure, and institutions constituting or supporting those systems. Within the integrated view, there must be room for several "sub-models" for specific historical contexts.

(b) A clear and explicit normative statement is required. The confusion of positive analytical and normative issues, including the assertion that much can be said in political economy without value judgements (clean technical "solutions" based e.g. on the maximization principle), must be abandoned. The belief in a neutral science is closely related to the narrow analytical confines of the traditional approach.

(c) An empirically based welfare theory is needed that includes a far larger set of variables than was thus far believed to be relevant in determining human welfare.

(d) In welfare theory the discussion of the possibility (normative desirability, political feasibility, etc.) of providing a subsistence minimum and basic needs for all (including a far broader range than personal consumption needs alone) will constitute a major theoretical issue.

(e) The discussion on limits to inequality in terms of maximum and minimum levels will also be central.

(f) In reconstructing political economy, a more correct understanding of the complex nature of human behaviour, human well-being, and human needs will have to be articulated and reflected in the model. This requires the cooperation of various disciplines.

The Challenge to Economic Thought Today

The argument thus far may be summed up as follows: the economic assumptions which have developed in association with existing systems and power structures and which are used in defense of them can be refuted, empirically and ethically, and must be challenged. These assumptions include:

- economic growth must be a prelude to social justice and not vice versa;
- inequality is needed to produce savings and capital formation;
- economic growth itself promotes inequitable redistribution;
- rationalization means mechanization;
- stabilization and the absence of inflation are to be preferred to the inevitable uncertainties associated with dynamic change;
- economic development in the developing countries should be modelled on that of the industrialized countries;
- the assumption that the chances of development of underdeveloped countries are dependent from, or even optimally secured by a continued rapid economic growth in the rich Western countries.

Various alternative assumptions have begun to emerge which also need to be examined in open discussion:

- modernization (in shaping of rationalization, maximization and centralization of technical and economic power) leads to increasing domination and not automatically to justice and participation;
- in the present system economic growth generally leads to injustice;
- at present technological advance tends to enhance the power of the powerful.

In this regard, the role of science and technology in economic progress needs careful re-examination. They are still the main resource for dealing with economic development problems. At the same time technical knowledge and skill are key sources of capital, profit and power. This new power is often appropriated by those in dominant political and economic positions. Science and technology do not exist in a vacuum but in a political and socio-economic context. Nor are they value-free. They affect the form of material realities and social perceptions. Moreover the cumulative impact of science and technology sets in motion social processes which are difficult to alter or reverse. Hence in the construction of new political economic models, provision has to be made for the social control of science and technology in the interests of justice, participation and sustainability.

## VI. Further Exploration

The age of innocence is over. It is time to review and clarify the direction in which society should go before undertaking economic and social policies in the name of development and under the assumption that

the society which is desired will be their necessary and automatic consequence. A changed system of values is a precondition for a change in economic systems. In this process of redefining the goals of society and shifting the gears of the economic machinery to attain them, a number of political, economic and cultural aspects deserve special attention.

1. A priority task is to take an institutional approach to justice and participation by devising social organizations which will work towards the implementation of the agreed goals rather than against them, or by modifying the existing institutions accordingly.

Such efforts should have the support of the churches who have too often accepted dominant power structures uncritically. For this exercise the churches in each country, if they will listen to fellow churches in other countries, have an unrivalled source of information on how such institutions look from a context different from their own.

2. It is urgent to investigate how organized pressure can be brought to bear on the powerful (nationally and internationally) to modify their policies in favour of a more just situation, i.e. one in which there is less dominance/dependence. The task is to reach agreement on those common values which would be supported by an interrelated number of common interests. How far are appeals to an informed conscience the answer? To a larger self-interest? To fear (e.g. the danger of local conflicts caused by economic misery spreading and becoming international)? By threats?

3. The role of ideology must be identified. Some form of ideology is always necessary to provide a conceptual framework for orienting national and international development. It is a prerequisite to the unity of a people and a country in striving for a common goal. As such it is an indispensable resource for national development. But it can also lead to a polarization of society which hampers the attainment, and even the formulation, of common goals.

As new models are developed on the basis of ideology they must not be regarded as absolute but rather as relative and provisional. Only then is open debate possible, and possible even where fundamental divergences exist. These differences themselves are often less clear-cut than they are in theory proclaimed to be. They are constantly being relativized by new facts, which call for repeated redefinition of points of difference and of contact.

It is possible for people and groups with differing ideological positions to agree on short-term goals without compromising their convictions. The argument here is against the rigid and dogmatic character of any ideology which refuses to be self-critical and is unwilling to benefit from new insights.

Détente, or relaxing the tensions of political and military confrontation between ideological or power blocs which expose the world to the threat of a new war, seems essential for world development with

justice and sustainability. Political détente does not appear to lead automatically to the military détente and disarmament which could bring new hope to the world. Détente does not necessarily mean the playing down of genuine disagreements.

4. The meaning of self-reliance must be spelled out in its conceptual and economic dimensions.

Self-reliance begins with a process of psychological and intellectual liberation. Often it happens in the context of struggle. Only when this is achieved can the economic and political reality be freshly evaluated and the moves from imitation to authenticity be started. Decolonization starts in the minds of people.

The economic implications of self-reliance must be assessed in the light of this intellectual liberation. In such a perspective economic achievements which had seemed essential may become peripheral or negligible, and peripheral values may become major social and economic goals.

5. In this process of re-evaluation, the meeting of basic needs will assume first priority.

The term "basic needs" has a wide meaning. It includes material needs such as food, clothing, housing, durable goods, education, health care, transport and other services. It also includes social and cultural needs such as personal freedom, social security, access to information, justice in income distribution and in the conditions of work, access to culture and the right to leisure. Basic political needs cover participation in all levels of decision-making, limits to private ownership, national independence and the establishment of mechanisms for resolving international conflicts. The urgency of particular needs will vary in different countries and under different circumstances.

6. It is necessary to clarify the relationship between a strategy for meeting human needs and the strategy of "de-linking" (of choosing economic self-reliance and independence as opposed to interdependence which often leads to dependence). With regard to this concept of "de-linking", the following questions must be considered:

- (a) How far is this a reasonable option for all developing countries and how far is it practicable only for relatively large ones which can satisfy the basic needs of their population without recourse to importation of essential products from the rich countries?
- (b) How are ocean currents, the seabeds, and the use of space to be dealt with?
- (c) What does a policy of self-reliance and de-linking imply for the developed countries which at the moment depend on essential raw materials from the Third World?

- (d) What would be the implications for First World policy of the change of values which is the basis for self-reliance and consequent de-linking in the Third World?

7. In other words there is need for study of the meaning, feasibility and implications of the collective self-reliance of the Third World. In their relations with the developed world, Third World countries have to choose between the alternatives of negotiation and confrontation. Their choices will depend on the real possibilities in each situation. Experience has shown that their negotiating power depends on the possibility of efficient unilateral action. In this respect the united action of Third World countries, through the non-aligned countries, the group of "77" and the producer associations has proved of great importance.

#### VII. Recommendations

The World Council of Churches has, over the years, introduced a number of terms into the development debate within the Christian community to emphasize the point that development is more than economic and technological progress. The stress on social justice, self-reliance, people's participation and sustainability has contributed substantially to new and creative action by the churches. However it is not enough to define such terms, stress their importance and point out situations in which they were or were not implemented. What is needed now is an integrated approach which explores:

- how far these concepts are elements in prevailing economic theories or conceptual models;
- how far they are complementary or contradictory to these theories;
- how far they support each other in a viable and socially acceptable development strategy and how far they are mutually exclusive.

The aim of this work could be to show that these concepts are not to be inserted on an ad hoc basis into existing economic theories and development strategies but are the foundation on which a more meaningful development theory can be built.

The churches are especially well placed to call attention to the accounts and stories of all those whose concerns must be incorporated into the new conceptual models.

In respect to both this integrated exploration and the following specific proposals there is a strong case for seeking to encourage and to assist national and regional studies and consultations. Emphases on the importance of contexts, of listening to voices from different experiences, on breadth and diversity of participation, all call for such national and regional work.

Three specific recommendations for attention by appropriate WCC agencies arise from the Consultation:

1. That the CCPD give high priority to a study of the concepts of collective self-reliance and economic delinking between developing and developed countries with consideration of the following:
  - (a) the costs and benefits of economic self-reliance and delinking;
  - (b) its feasibility;
  - (c) the strategy to be pursued to achieve it;
  - (d) possible consequences for nations, regions and the world;
  - (e) the extent to which development can be promoted with reduced interdependence;
  - (f) the role of the TNC's in relation to self-reliance and delinking.
2. That the CCPD explore further the relationship between its study of the Church and the Poor and the implications of that study for economic theory and systems.
3. That the sub-unit on Church and Society, in view of the 1979 World Conference on Faith, Science and the Future, give particular attention to the social and ethical consequences of present patterns of industrial and technological development. And evaluate alternatives which would increase world justice, participation and sustainability, with specific attention to:
  - (a) changes needed in the traditional technological-industrial growth patterns in the industrialized countries;
  - (b) the debate about appropriate technology and how this applies to the industrialized and the non-industrialized countries, especially in view of the problems of unequal political and military power which this might present;
  - (c) an assessment of the consequences of further world economic growth (e.g. as envisaged by the UN Report on the Future of the World Economy) on natural resources and on the physical and human environment.

List of Participants

AVRAMOVIC, Mr Dragoslav	Independent Commission on International Development Issues, Geneva
BERTINI, Mr Jorge	Association of Third World Economists, Mexico
CALCAGNO, Dr Alfredo Eric	Economist, UNCTAD, Geneva
CARTER, Prof. Anne P.	Department of Economics, Brandeis University, USA
COLLINS, Mr John R.	Division of Overseas Mission, National Council of Churches/USA
DALY, Prof. Herman R.	Professor of Economics, Louisiana State University, USA
DARMSTADTER, Mr Joel	Resources for the Future, Washington, D.C., USA
DOPFER, Prof. Kurt	Professor of Economics, Schweizerisches Institut für Aussenwirtschafts-, Struktur- und Marktforschung, St. Gallen
DREWES, Dr Manfred	Planungs- und Grundsatzabteilung der Arbeitsgemeinschaft KED, Stuttgart, FRG
GALLIS, Dr Marion	Economist, UNCTAD, Geneva
GOUDZWAARD, Prof. Bob	Professor of Economics, Free University of Amsterdam, Netherlands
GREEN, Prof. Reginald H.	Institute of Development Studies, University of Sussex, U.K.
GREGORIOS, Metropolitan Paulos	Metropolitan of Delhi, Orthodox Syrian Church of the East; Principal, Orthodox Seminary, Kerala, India
KEENE, Ms Beverly	Economist, Consejo Superior Universitario Centroamericano, Costa Rica
LEUENBERGER, Prof. Theodor	Schweizerisches Institut für Aussenwirtschafts-, Struktur- und Marktforschung, St. Gallen
MATTIS, Ms Ann	International Foundation for Development Alternatives, Nyon, Switzerland

NANKIVELL, Dr Owen	Chairman, British Council of Churches: Directorate of Economic Studies, London
NIKOI, Mrs Gloria	Ministry of Economic Planning, Government of Ghana
PARMAR, Prof. S.L.	Professor of Economics, Allahabad University, India
PRESTON, Canon Ronald H.	Faculty of Theology, University of Manchester, U.K.
PRONK, Dr Jan	Former Minister for Development, Netherlands
TOEPLITZ, Dr Jerzy	Economist and Editor, Lutheran Church in Poland
TOLEN, Dr Aaron	Social Scientist; Moderator of CCPD, Cameroon
VERMEIRE, Dr Rik	European Centre for Study and Information on Multinational Corporations, Brussels

Staff:

ABRECHT, Dr Paul	Church and Society
de GASPAR, Dr Diogo	CCPD
ITTY, Mr C.I.	CCPD
RAISER, Dr Konrad	General Secretariat
STALSCHUS, Ms Christa	Church and Society