

SOCIAL JUSTICE IN THE CONTEXT OF NEOLIBERALISM

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Abstract. *The author deals with the following aspects of social justice: its definition; the socio-economic conditions necessary for its implementation; the opposing conceptions of social justice espoused by Rawls and Nozick; neoliberal actions against social justice; possible measures to achieve social justice in economically developed and underdeveloped countries.*

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1. Introduction: the concept of social justice

In the legal field, the concept of justice has two main meanings: 1) formal, procedural justice, which signifies compliance with the laws and 2) social justice, which engages the content of the laws and demands that the laws be fair.

Right laws, in our opinion, are those that ensure the satisfaction of the interests of all members of the community, or that promote the interests of a social category in agreement with the interests of other categories and with the general interests.

More precisely, from a legal point of view, social justice falls within the sphere of distributive justice and involves the distribution of social goods in general and economic goods in particular not only by virtue of economic laws, but also according to other criteria, such as merits and needs members of society.

2. The socio-economic conditions for the implementation of social justice

For this purpose, the state must have sufficiently high revenues from fees and taxes on goods owned by members of society or produced by economic agents, including state enterprises. In this regard, it is obvious that the more economically developed states have more resources to carry out social justice than the less developed ones. Likewise, as Friedrich Hayek (1899-1992) and John Rawls (1921-2002) argued and historical experience has proven, democratic states, based on private property relations, have more funds that can be used to achieve social justice than non-democratic, dictatorial states, such as socialist ones, which nationalize economic life or subordinate private property.

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In his book *The Road to Serfdom*, Hayek² stated that the capitalist democratic state, not being the sole economic owner, leaves it up to economic agents to establish their goals, quantitative indices of activity, means of action, etc., thus stimulating economic initiative and allowing the achievement of a quantity of goods superior in quantity and quality, which can contribute to raising the standard of living of all, including those with lower incomes. Instead, he argued, the dictatorial state, such as the socialist state, as the sole owner, determines in detail what and how much must be produced, turns people into mere executors of its decisions, lacking economic initiative and creativity, and, therefore, it does not favor an economic development in a position to ensure a high economic equality of its members.

3. *The opposing conceptions of social justice espoused by Rawls and Nozick*

However, as John Rawls argued, in order for countries to be more economically developed and to achieve social justice, it is necessary not only for the state to be capitalist and supportive, but also for each social practice (enterprises, institutions, etc.) to be only inequalities related to positions and functions are allowed, they should be open to all and occupied by the most competent, and part of the benefits obtained should go to those who do not hold such positions and functions, because they also participate in the implementation of the practice.³ Rawls argued in favor of social justice under the conditions of private-capitalist property given that private property is the result of chance rather than personal merit.

However, there are also theories, such as that of Robert Nozick (1938-2002), which support that the state should be minimal and not welfare, on the grounds that private property is a fundamental human right and, therefore, would not be right for some to cede part of their benefits to others.⁴

I believe that both the theory of the welfare state and the neoliberal theory of the minimal state imply certain moral positions regarding economic relations. Given that they are established between people, economic relations of any kind, including economic relations centered on private-capitalist property, also have a moral component. The controversy between the two theories refers to the type of morality and, respectively, of freedom preferable within economic relations: the community morality of saving everyone, or the selfish morality of who can

² Friedrich Hayek, *Drumul către servitute*, București, Editura Humanitas, 1993, p. 120 și urm. (în original: *The Road to Serfdom*, 1944)

³ A se vedea John Rawls, *O teorie a dreptății*, Editura Universității Alexandru Ioan Cuza, Iași, 2011 (în original: *A Theory of Justice*, 1972)

⁴ A se vedea Robert Nozick, *Anarhie, stat și utopie*, Editura Universitas, București, 1997 (în original: *Anarchy, State and Utopia*, 1974)

escape? The first position emphasizes the fact that social justice or, in other words, a just society can only pursue, by definition, the good of all, just as the just man aims not only at his own good, but also at respecting the good of others. The second position emphasizes the fact that private property is sacred and inviolable, but neglects the fact that this sanctity and inviolability of the property of those who own it must not affect the right to life of others, because the right to life is also fundamental, therefore sacred and inviolable. Therefore, without prohibiting private-capitalist property, in this case large property, it is necessary for the state, through its measures, such as property tax or compliance with the conditions laid down by Rawls, to establish a certain relationship and agreement between large private property -capitalist and small and medium property, as well as between the incomes of all participants in capitalist economic practices, so as to respect the right to a decent life for all members of society.

It is not by chance that some of the ancient or modern thinkers equated justice with the good of all. In antiquity, in his work *Nicomachean Ethics*, Aristotle stated that "justice is the only one of the virtues that seems to be a good for another", since the one who possesses it practices it not only for himself, but also in favor of others, and in the modern period, Jean-Jacques Rousseau originated both moral conduct and legal conduct in an innate sense of justice and fairness.

Certainly, the humanist position can only be in favor of authentic morality, of the good for all and not of extreme selfishness.

4. Economic neoliberalism and its actions against social justice

In many capitalist states today, the concept of the minimal state prevails, which adopts the policy of a free market economy, focused on the unfettered assertion of private property, without state intervention to protect the disadvantaged.

Economic neoliberalism deepens the conflict between rich and poor, as well as the gap between economically developed and underdeveloped countries. In these respects, neoliberalism has contradictory consequences. On the one hand, it led to the concentration of private property in multinational enterprises, to the enrichment of the shareholders of these enterprises and to the economic development of the countries from which they originate. On the other hand, it has not raised the standard of living of all citizens in the countries of origin of the large shareholders, and moreover, by producing more and cheaper, it suffocates and tends to eliminate small and medium-sized enterprises in those countries, and even more so much, those of less developed countries.

Another harmful effect of economic neoliberalism is that it has generated a category of great economic and financial potentates, who, through the financial means at their disposal, pressure both the economically developed states and the

undeveloped ones to further promote an economic policy of the doors open, favorable, further, to the neoliberal economy. The old slogan of traditional liberalism by which the countries at the beginning of capitalism protected their national economic interests "By ourselves" has long gone and cannot be revived.

Moreover, the developed capitalist states, which have become oligarchic states through their clade with the economic potentates who have penetrated the state institutions and, anyway, are behind them, are interested in the less developed countries not (re)industrializing, so that they do not compete with them and remain only sources of raw materials and outlets.

There are, then, other specific mechanisms, through which the less economically developed countries are kept in a state of economic dependence on the more developed ones.

One way is the policy of capital loans that the less developed countries need and that the Western industrialized countries grant them on the condition that they fulfill some economic, social and political measures favorable to them, the creditors, and not to the debtors. These capital funds belong to international agencies, such as the International Monetary Fund or the European Bank, which are dominated by Western countries, and among the conditions imposed are the requirement of the deindustrialization of some economic branches, the privatization of some state enterprises, the reduction of budgetary staff.

Another way is that the industrialized countries export to the less developed countries a whole range of products, including the food industry, at a cheaper price, because they produce them with lower expenses, which causes the restriction or even the disappearance of some activities economies from the importing countries and, therefore, an even greater economic weakening of them or an increase in unemployment.

Finally, multinational corporations, having their base in industrialized countries, obtain profits that do not remain in the underdeveloped countries in which they operate and do not contribute to their development, even if they carry out part of their activities here, temporarily providing some jobs or and remuneration slightly above the local ones.

5. Conclusions: possible measures to achieve social justice in economically developed and underdeveloped countries

Under the conditions of current neoliberalism, states in developed capitalist countries can increase their incomes allocated to social assistance not only by continuing their economic development, but also by practicing a progressive tax, depending on the incomes obtained by economic agents and other citizens, both in ordinary situations, as happens, for example, in Sweden, as well as, especially, in crisis conditions. The condition of such a policy, however, is the change of the moral paradigm by moving from the good of the oligarchs to the good of all.

Given the mentioned conditions of the contemporary world economy governed by the principle of competition, what are the ways by which the states of semi-industrialized or poorly industrialized societies, such as Romania, or the states of third world - neo-colonial countries, can increase their incomes and use them for the benefit of all their citizens?

Of course, not through new taxes and fees, which, applied to everyone, would impoverish the poor even more, and applied only to the rich, even if they, being in charge, accepted, would not provide a sufficient fund for helping the most disadvantaged, because the state as a whole is underdeveloped.

The only way to achieve social justice in less developed countries is for them to increase their incomes, which would be possible in several ways.

One way would be to increase the level of tax collection, which, anyway, in poor countries would rather cover other state objectives than increasing citizens' incomes. The main way is for less developed countries to develop economically. For this purpose, it would be necessary for the state not to privatize all the enterprises that are in its patrimony and which it can modernize and, at the same time, to identify areas with potential for development and profit, such as in our country agriculture, the food industry, tourism, as well as some branches of light industry, and to stimulate those who invest in these fields, using external credits for development and not for consumption.

Finally, I consider that the application of the political-moral criterion of everyone's advantage in economic life is required not only within each state, but also in the relations between the highly industrialized western states and the less developed ones, in the sense that the former accept technological transfers, funds of capital and know-how towards the latter without economic, social and political pressures to weaken them, but, rather, conditioning them to take measures for modernization and economic growth.

Without the reorientation of the economic policy of the capitalist states both within their own states and in the relations between them in the sense of alleviating the great differences between the rich and the poor, between the rich and the poor countries, the mentioned discrepancies will deepen even more, they will become more and more unbearable and they will no longer be able to be maintained except by force, which will inevitably lead to the impossibility of applying the political values of democracy and to internal and international conflicts.

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