

---

## **UNIT 7 COMPONENTS OF DECENTRALISED DEVELOPMENT – III EQUAL DISTRIBUTION OF BENEFITS OF DEVELOPMENT**

---

### **Structure**

- 7.0 Learning Outcome
- 7.1 Introduction
- 7.2 What do you understand by Development
- 7.3 The Principal of Desert
- 7.4 The Principle of Need
- 7.5 The Principle of Balance
- 7.6 Factors Influencing People’s Preference for Distribution – In Small Groups
- 7.7 Factors Influencing People’s Preferences for Distribution - Society wide distributions of resources
- 7.8 Conclusion
- 7.9 Key Concepts
- 7.10 References and Further Reading
- 7.11 Activities

---

### **7.0 LEARNING OUTCOME**

---

After reading this unit, you will be able to:

- define what is development in the context of equal distribution of benefits of development;
- understand basic principles and criteria employed for distribution of benefits of development;
- discuss the theories of justice; and
- identify factors influencing people preference for distribution.

---

### **7.1 INTRODUCTION**

---

Equal distribution of benefits of development is a very important and integral component of decentralised development. An attempt has been made here to explore and analyze the basic principles and criteria employed for distribution, in terms of the concepts of need, desert, equality, difference and social justice, as well as their acceptability and efficacy, need and justification, relevance and requirement, along with people's perceptions and assessment of decentralising development through equal distribution of advantages or benefits for sustainable human and social development. In this unit we will be discussing the meaning of development in the context of equal distribution of benefits of development, understand the basic principles and criteria employed for distribution of benefits of development and discuss the theories of justice.

---

## **7.2 WHAT DO YOU UNDERSTAND BY DEVELOPMENT**

---

Development is a multi-dimensional and multi-faceted phenomenon. It is a continuous and complex process which involves diverse agencies and people with different hierarchic levels of living, professing different occupations and having a variety of cultural identities. It encompasses myriad intervention strategies depending upon the social, economic, political and cultural status of the people. Exogenous models of development alien to the local genius can go up to a point but remain ineffective in the long run to solve the chronic deficiencies and socio-institutional imbalances. Real development can take place only by solving the problems of poverty of all kinds and of all shades of people, men and women, high and low, advantaged and disadvantaged. So development is incomplete without developing all the sections of society including the women and the other excluded sections who constitute more than 50 per cent of the population.

Development strategies are usually and typically conceptualized by economists in terms of savings, investments, imports, exports and growth; with varying roles assigned to markets and prices, and state controls and expenditures. Keith Griffin, a well-known development economist, has identified six major development strategies which have been carried out by governments in developing countries. They have been described as the monetarist, the open economy, industrialization, green revolution, redistributive and the socialist strategies (Griffin 1989).

Development, thus, generally means the improvement of people's lifestyles through improved education, incomes, skills development and employment. Development also means that people should have decent housing, security, food, clothing and skills to read and write. Development usually involves major changes in social structures, popular attitudes and a national condition of life from unsatisfactory to satisfactory (Servaes 1999:77).

Mansell and Wehn (1998:8) have argued that development does not mean the same thing in most developed countries (MDCs) and least developed countries (LDCs). They also argue that development has been understood since the Second World War to involve economic growth, increases in per capita income, and attainment of a standard of living equivalent to that of industrialized countries. However, there are many areas of development that need to be developed for a sustainable and just development, for example, education, health systems, technological development, distribution and innovation.

### **Economic Development**

Even the meaning of economic development has changed considerably during last twenty years. Two pioneering studies are Dudley Seers, "The Meaning of Development" (1967, 1979), for the earlier period and Amartya Sen, *Development as Freedom* (1999), for the later. In these studies, the meaning of development also encompasses measures and strategies of development and approaches to its study. If we examine works beyond these, we find that both economists were critical of the development literature of their times. For Seers, neoclassical economics had a flawed paradigm and dependency theory lacked policy realism. After the fall of state socialism in 1989-1991, the ideological struggles among economists diminished. Amartya Sen did not focus on ideological issues but, according to the Nobel prize committee, "restored an ethical dimension to the discussion of economic problems" such as development.

### **Human Development**

During the last decade, the concept of human development has received much attention in development economics because it provides a link between growth and development. Development is more than just expansion of income and

wealth. Human Development is being perceived as an end and growth as a means. The Human Development Report 1990 has defined development as a process of enlarging people's choices. The most crucial of these wide-ranging choices are to live a long and healthy life, to be educated, and to have access to resources needed for a decent standard of living. Human capabilities can be formed through good health, knowledge and skills. The formation of human capabilities and the use people make of their acquired capabilities are the basic requirements for the enhancement of their choices and capacity to exercise them.

Despite the accumulating forces for a greater participation for overall development, large number of people continue to be excluded from the benefits of development, especially the weaker sections of society including women. Therefore, equal distribution of the benefits of development becomes crucial for growth to be sustainable and development to be viable and feasible.

### **What Exactly is Equal Distribution and Social Justice**

The question is, when we talk and argue about equal distribution and social justice, what exactly are we talking and arguing about? Crudely put we discuss how the good and bad things in life should be distributed among the members of a human society. When, more concretely, we attack some policy or some state of affairs as socially unjust, we believe that a person, or more usually a category of persons, enjoys fewer advantages than that person or group of persons ought to enjoy or bears more of the burdens than they ought to bear, given how other members of the society in question are faring.

Another pertinent question is, what exactly are the goods and bads, the benefits and burdens, whose allocation or equal distribution is the concern of just development. We tend to think immediately of income and wealth, jobs, educational opportunities, and developmental benefits, but how far should the list be extended and what is the rationale for including or excluding particular items? A preliminary list of benefits must include at least the following: money and commodities, property, jobs and offices, education, medical care, housing, transportation, welfare, child care, personal security, honors, prizes, entertainment and leisure opportunities. What makes them concerns of just distribution is that they are valued goods whose allocation depends on the workings of the major

social institutions. These goods matter because of the way in which they enhance the quality of individual lives and choices. Thus, equal distribution becomes a crucial component of distributive justice which, in turn, is an essential aspect of social justice.

Second, if social justice has to do with distribution, what precisely does this mean? Must there be a distributing agency that brings about the outcome whose justice or injustice we may try to assess? And are we thinking about how government policies, affect the fortunes of different groups in society, or is our concern much wider than that, encompassing all kinds of social activities that determine the shares of goods that people have and their consequent status?

There are five broad theories of justice, which can be utilized for equal distribution of the benefits of development i.e., the principle of equality, the principle of utility, the principle of compensatory justice, Rawlsian principle of 'justice as fairness' and also the concept of social justice. All these theories of justice involve some kind of distribution of benefits and burdens amongst the members of society. The principle of formal equality lends credence to the principle of desert. The conception of proportional equality recognizes apportionment according to need, while the Rawlsian theory and Honore's conception of social justice suggest some sort of compromise between the two rival theories.

Different philosophers put forward different potential bases of apportionment. Reasons based on individuals' deed, merit, need, status, entitlement or right are all in appropriate circumstances, proper bases of apportionment. The standard positions taken in the unending debate over these issues can usefully be classified either as egalitarian or libertarian. Egalitarians do not favour the idea of distribution according to desert and hold that economic assets should be distributed equally. On the other hand libertarians hold that economic assets should be left in whatever hands they reach through free and fair individual transactions. This approach gives full credence to the desert theory and rejects the idea of distribution according to need. Now we will be discussing the various theories of justice.

---

### **7.3 THE PRINCIPAL OF DESERT**

---

Justice according to desert rests on the principle that it is fair to reward others according to their merit or deserts. The entrepreneurial ideal first espoused by Adam Smith, encouraged the members of the middle classes to demand that careers, rewards and riches be made available to the most talented men, regardless of their family back-ground.<sup>1</sup> Spencer also identified justice with distribution according to desert when he says:

“Each individual ought to receive the benefits and the evils consequent upon conduct. When we act, and especially when we produce, we naturally create certain benefits, depending on our efforts, skills and capacities, and their benefit ought to be secured to us.”<sup>2</sup>

Another advocate of desert principle is George Harris. He maintains that all social values must yield whenever those values threaten meritocratic rule. The basic rule advanced by him is that so far as men are equal, opportunities should be in proportion to their merit. Thus, the touchstone of his philosophy is “the rule of the best”.<sup>3</sup> Goldman also recombines the rationality of the rule that benefits and burdens must be distributed on the basis of competence and merit. Effort and accomplishment, according to him, play major role in satisfying criteria for positions. The desert rule would, he maintains, create incentive for individuals to develop their capacities and competencies and to be maximally productive. If positions of social importance and superior intelligence are allowed to be filled arbitrarily and capriciously, it would result in sharply diminished utility to public.<sup>4</sup> If individuals are barred from achieving goals for which they have productively worked, it would deprive them of “an important source of a feeling of self-accomplishment, self-satisfaction and pride. These are central elements in the respect that one enjoys from the community”.<sup>5</sup>

Thus, according to the principle of desert, the most competent acquire a *Prima Facie* right to the positions and can claim that their legitimate expectations to the positions be fulfilled.<sup>6</sup>

Egalitarians, on the other hand, reject the idea of distribution according to desert on the ground that the people have talents or skills through accident of

nature or social circumstance. They discount altogether each man's responsibility for his own actions and the corresponding justification of differential distribution based on desert.

---

## **7.4 THE PRINCIPLE OF NEED**

---

Second principle of distribution of social advantages and benefits of development is 'distribution according to need'. Distribution of benefits and burdens may be justified on the bare biological necessities of life. The advocates of this approach maintain that the individuals who cannot meet their essential material needs through free transactions have a right to have these needs met out of assets of others. The principle that basic needs be guaranteed by Government to those who cannot meet them through their own efforts have come, to acquire an entrenched status as one of the fixed moral imperatives governing our political life.

It is widely believed that the fundamental human quality carries with it a legitimate claim for at least a minimum of welfare, simply because a given being is human. This is considered a corollary of the dignity or infinite values of the individual. It is argued that the distribution should be allowed not only to meet the bare physical subsistence because the right to mere physical subsistence would exist even in a state of nature. Something more is expected from the modern welfare States with its far more ambitious redistributive public provisions of basic goods and services. Rawls goes a step further when the 'difference principle' as formulated by him requires that the least advantaged should be guaranteed as much as possible. In other words, Rawlsian rule is not only 'satisfying' but 'maximising'.<sup>7</sup>

Kropotkin is one of the leading advocates of the approach which interprets justice as distribution according to need. His main Defence of the theory is that "the means of production being the collective work of humanity, the product should be the collective property of the race. Individual appropriation is neither just nor serviceable. All belong to all. All things are for all men, since all men have need of them, since all men have worked in the measure of strength to produce them, and since it is not possible to evaluate everyone's part in the production of the world's wealth."<sup>8</sup>

However, need theory is attacked on the ground that it presupposes wholly unrealistic alternatives – the main alternative being material advancement or unlimited human generosity.<sup>9</sup> Distribution according to need would, in the opinion of Spencer, deprive the society of the beneficial consequences of a competitive struggle for rewards and would frustrate the improvement of human race.<sup>10</sup>

---

## **7.5 THE PRINCIPLE OF BALANCE**

---

The brief discussion above shows that distributive principles based on desert and need conflict with each other. This requires striking of a balance between the two. The best arrangement obtains when desert remains the main element in the allotment of advantages and need criterion also finds place as a subsidiary rule of distribution. This idea would support the general framework of a liberal welfare State making allotment of advantages by merit in general and supplementing it by a policy of redistributive taxation and spending in favour of socially and economically disadvantaged class of citizens.

A single conception of just distribution accommodating both the principles of need and desert is seen at work by Miller in the contemporary market societies which he designates as “organised capitalism” as distinguished from the early market societies termed by him, as “free market societies”.<sup>11</sup> The most deserving individual is allowed the highest position in the Organisation and receives the reward which is attached to that position. But to promote the individual well-being, each citizen is held to have a claim of justice to the benefits created by competent persons. This reconciliation is also seen at work in Rawlsian theory when his difference principle provides that the greatest benefit goes to the least advantaged.

The difference between Rawls’ conception and Miller’s conception is that the former interprets the advantage of the better-off as pure incentives whereas the latter regards them as deserved rewards. Another difference between the two approaches is that Rawls believes that a single conception of distributive

justice can work in all types of societies whereas Miller's argument is that conception of social justice varies from one type of society to another.

According to Rawls, the subject-matter of social justice is the basic structure of society, understood as the major social institutions that “distribute fundamental rights and duties and determine the division of advantages from social cooperation. By major institutions I understand the political constitution and the principal economic and social arrangements ... [that] taken together as one scheme... define men's rights and duties and influence their life-prospects, what they can expect to be and how well they can hope to do”, (Rawls 1971:7).

Often justice is linked with the condition of human existence and development<sup>12</sup>. Such a view projects fair and just access to the basic requirements for existence and the development of every individual. Having taken principles of desert, principles of need, and principles of equality to be the main constituents of distributive justice, let us examine two claims: first, that people's views of justice are pluralistic, and that very often people decide what a fair distribution consists in by balancing claims of one kind against claims of another; second, that the social context in which the distribution has to be made—or more precisely how that context is perceived by those making the judgment—will determine which principle stands out as the relevant principle to follow for a just and equitable distribution of benefits of development.

While doing so, we must also try to understand two aspects of popular thinking about justice that are very important from a practical point of view. One aspect concerns the just distribution of specific goods such as housing or medical treatment. It seems likely that both people's institutions about how such goods should be distributed, and the practices that have evolved to affect such thinking, will vary from good to good<sup>13</sup>. Then there are some generalized resources, such as money, that do not immediately invoke any particular beliefs about how they should be distributed.

Another aspect is beliefs about procedural justice—beliefs about what counts as a fair procedure for deciding on the allocation or distribution of a certain good. Again, beliefs of this kind carry a good deal of weight in practice, we

must also focus on outcomes, that is, which final distribution of resources people will regard as just in different situations.

When we compare desert, need, and equality as criteria of distribution, we find one point of contrast between the first two and the third. Whereas appeals to desert or to need to justify a distribution must imply that these considerations carry positive moral weight, equality may be invoked on grounds of simplicity or convenience rather than because an equal distribution of resources is regarded as substantively just. We may face difficulty when trying to determine how to divide resources in such a way as to match the different deserts or needs of several individuals.

Alternatively, if we are told that several people have made different contributions to achieving some goal, but are not told how big those contributions are—or do not have much faith in the information we have been given—we may opt for equality as the fairest distribution available. Exactly the same reasoning applies in a case in which needs may be different but we do not have reliable information about what the differences are.

---

## **7.6 FACTORS INFLUENCING PEOPLE'S PREFERENCE FOR DISTRIBUTION – IN SMALL GROUPS**

---

### **Factors Influencing People's Influencing for Distribution**

Having also seen why a theory of justice or equal distribution needs to be grounded in evidence about how people understand distributive justice, we must now shift the evidence to see how people understand distributive justice in different circumstances and situations. Researchers have been interested in how distributive justice is understood in small-group contexts, or in justice across whole societies (say, in the justice of the income distribution in a country such as India or the United States). In the same way, they have been concerned with beliefs about justice—what people will say is just or fair—or with people's behavior when asked to allocate some valuable resource.

In small-group setting, it is possible either to ask people to assess a distribution—say, a distribution of rewards following the carrying out of some task by the

members of the group—or to perform the distribution themselves. On a society-wide scale, we can examine beliefs by, for instance, presenting people with different arrays of income distributions and asking them how fair they think they are, and we can examine behavior by looking at how institutions do in practice allocate resources (for instance, by considering how companies or firms set pay scales for their employees).

Each approach has its strengths and its weaknesses as a way of getting at what people really think about justice. When focusing on expressed beliefs we risk picking up what they ought to hold according to some imbibed theory, as opposed to the operational beliefs that would guide them in a practical situation. If behavior is the focus, then we are likely to find mixed motives at work, with the attempt to do justice contaminated, for instance, by self-interest. Thus, an allocator in a small-group situation may distort justice to get more reward himself (or he may bend justice in the other direction in order to be seen as generous to his co-members). Again pay scales in industry usually represent a compromise between what may generally be regarded as fair reward differentials between workers with greater or lesser skills and responsibilities and the bargaining power wielded by different sections of the workforce<sup>14</sup>.

When we turn to the contrast between justice within groups and justice across societies, small-group research gives the researcher the greatest freedom to exclude the unwanted influences, but it also raises the question as to how relevant distributive decisions in small groups are to wider questions of social justice: do people in fact use the same criteria when allocating resources among two or three individuals as they do when assessing, let us say, the justice of a capitalist economy?<sup>15</sup> Generally it has been found that people may apply one criterion of justice when considering how resources are allocated individual by individual, and another criterion when looking at the overall distribution that results (for example, an allocation that gives each person what he or she deserves may be judged to be excessively inegalitarian overall). The macro-considerations at stake here may not necessarily be considerations of justice, however; they may, for instance, involve an ideal of social equality that is independent of justice. On the other hand, looking directly at beliefs about macro-justice runs the risk of introducing too much contextual constraint into the answers that people give. For

instance, if we ask people what an ideally fair distribution of income across society would be, their answers may be influenced by their perceptions of the current distribution; or if we ask them what responsibility society has to meet people's needs, they may base their answers on existing welfare practices.

### **Micro Level Groups**

There has been a lot of research at the micro-level on the factors influencing people's preference for distribution according to desert on the one hand or equality on the other<sup>16</sup>. In a typical scenario a number of people engaged in some activity have made contributions of different sizes, and respondents are asked to allocate income or other rewards, or to say what they think a fair allocation would be. Sometimes subjects are made to believe that they are participants themselves; sometimes they are simply asked to make an external judgment.

These factors appear to operate through the perceived character of the group within which the distribution is to take place. To the extent that the group is seen as made up of independent individuals whose relationships to one another are simply instrumental, the desert principle is employed. To the extent that group solidarity emerges, the preferred distribution is shifted toward equality. Asked to allocate bonuses to successful performers, people will opt for a greater degree of equality in the team case.

The assumption here, presumably, is that joint activity creates a degree of camaraderie that makes greater egalitarianism appropriate. Similar results are found when subjects are given work tasks that are either competitive or cooperative in nature<sup>17</sup>. Moreover, it can be shown that the experience of working cooperatively tends to shift people who originally favor the contribution principle toward greater support for equality<sup>18</sup>. There is a basic underlying belief that fairness requires that when the size of contributions depends on each person's efforts, people who make less effort should receive less reward<sup>19</sup>.

Two further factors help to shift the criterion of distribution from desert toward equality. One is expectations about how long the group will remain in existence. Temporary groups tend to favor the contribution principle, whereas people who expect to interact with their partners in the future are more favorably disposed

toward equality<sup>20</sup>. The other is discussion within the group. Groups who are permitted to decide for themselves which distributive principle to adopt are more likely to favor equality.

It has also been found that there is an underlying contrast, between “groups” that are made up of separate individuals either competing with one another or having merely instrumental relations, and groups in which there is a sense of common identity and solidarity. For groups of the first kind, justice is done when what each takes out is proportional to what he or she has put in; groups of the second kind, by contrast, see equal distribution regardless of inputs as appropriate. However, it is not clear thus far whether equality is being valued per se, or whether it is being used as a proxy for distribution-- according to need. This general result also has an interesting converse, namely, that when asked to choose the principle of distribution they think most likely to realize specified group goals, people who are instructed to raise efficiency, productivity and so on will suggest the contribution principle, whereas those asked to promote group harmony and good working relations will opt for equality<sup>21</sup>. Thus the distributive principle chosen not only reflects the character of group relations but also helps to constitute those relations for the future.

Thus far we have looked at factors affecting the desert-equality choice without specifying the precise basis of desert that is being used. Some experimental studies have, however, attempted to isolate the aspect or aspects of contribution thought to deserve reward<sup>22</sup>. Usually distinctions are made among ability indicating the talents or capacities someone brings to a performance, effort expended, and the performance itself, indicating how much is actually produced or achieved.

It is interesting to compare these empirical findings with the prevailing views of political philosophers on the subject of desert. It is a common view among philosophers that people can genuinely deserve only on the basis of features such as effort that are subject to their voluntary control. There is also the alternative position, that although people must be responsible for their performances in order to be deserving, the performance that forms the basis of desert may also require personal characteristics such as native ability and opportunity that are not voluntarily chosen.

---

## **7.7 FACTORS INFLUENCING PEOPLE'S PREFERENCES FOR DISTRIBUTION – SOCIETY WIDE DISTRIBUTIONS OF RESOURCES**

---

Up to this point we have looked at attitudes toward desert and equality in small groups. Let us also see how significantly things change when people are asked to make judgments of fairness about society-wide distributions of resources? In such cases we find the same broad pattern of beliefs, with the principle of reward according to contribution dominant but offset to some degree by egalitarianism. For instance, when people are asked to react to the proposition “The fairest way of distributing income and wealth would be to give everyone equal shares,” we find up to about one-third of respondents agreeing. Much smaller numbers opt for equality however, when forced to choose between the statements “Under a fair economic system all people would earn about the same” and “Under a fair economic system people with more ability would earn higher salaries<sup>23</sup>.”

In a British survey, for instance, 95 percent of respondents agreed with the proposition “People who work hard deserve to earn more than those who do not,” and 84 percent with the proposition “People would not want to take extra responsibility at work unless they were paid extra for it<sup>24</sup>.” Similar questions about the need to reward responsibility and the acquisition of professional skills asked in the International Social Survey Programme typically attracted agreement rates of between 70 and 80 percent<sup>25</sup>. In a Swedish survey 75 percent of the sample agreed to the responsibility proposition<sup>26</sup>. In an American study 78 percent of respondents agreed that “under a fair economic system, people with more ability would earn higher salaries,” and 85 percent affirmed that “giving everybody about the same income regardless of the type of work they do would destroy the desire to work hard and do a better job.”

The third and fourth considerations referred to above are represented by propositions such as “If incomes were more equal, life would be boring because people would all live in the same way” (61 percent agree, 39 percent disagree) and “Incomes cannot be made more equal because it’s human nature to always want more than others” (82 percent agree, 18 percent disagree)<sup>27</sup>. It is clear from these responses that large majorities of people cross-nationally have a favorable

attitude toward economic inequalities that serve to reward and motivate people and that recognize skill and training.

Another aspect of processes of equal distribution is a tendency to equality in judgments about the overall pattern of economic distribution of the benefits. This tendency manifests itself in two main ways: first, in the view that the current spread of incomes and benefits is too great, and that a fair distribution would compress this range somewhat; and second, in the concern that people at the bottom end of the scale are not earning a living wage,” that is, a wage adequate to maintain a decent standard of living.

A modest degree of egalitarianism in distribution of developmental benefits may stem not from abandoning desert criteria but rather from applying them to a situation in which the economic or social system is seen to over-and under-reward various occupational groups. There is, however, another strand to this argument that appears when people are asked about various possible benefits of equality in terms of equal distribution of benefits of development. The proposition of this kind to attract majority assent is that ‘more equality of incomes would lessen social conflict between people at different levels.’”

Let us turn now to the question of inequality, deprivation and low incomes. There is a common view that people at the bottom of the income scale are somehow being prevented from receiving what they deserve, For instance, the proposition “Most of the people who are poor and needy could contribute something valuable to society if given the chance’ attracts overwhelming support (78 percent in favor, 7 percent against)<sup>28</sup>.

### **Results of the Finding**

We can sum up this finding as follows: wherever needs are at stake, people will aim to equalize degrees of unmet need, which means distributing in favor of those in greater need until they are brought up to the same level as others; wherever tastes are at stake, they are much more inclined to favor individuals who can derive the greatest utility from the item in question at the expense of equality of welfare.

In micro-contexts, as we have seen, people are willing to allocate according to need when they have the opportunity to do so; they draw distinctions between needs and tastes or preferences; and there is some evidence to back the conjecture that the group context most favorable to this distributive principle is one characterized by a high level of mutual sympathy and trust.

If this interpretation is correct, people distribute on the basis of need partly for reasons of justice and partly for reasons of generosity and humanity. Two caveats must immediately be added, however. First, support or state provision is consistent with the belief that people should be able to make private provision for pensions, health care, education, and so on<sup>29</sup>. Second, people tend to be strongly concerned that the needy may not be held responsible for their neediness, either in the sense that they have brought their needs upon themselves, or in the sense that they could escape them with a little effort. This concern lies behind skepticism about social welfare provisions, which manifests itself in the view that too much money is going to people who are needy only because of their own laziness or fecklessness<sup>30</sup>.

The question is what should count as a need? Old age, disability, and sickness provide uncontroversial cases, but can need be extended to other factors less tied to physiological criteria? In Indian context, caste based social, educational and economic backwardness has also become the basis of need as well as desert based distribution.

Up to now we have been looking at how people switch among principles of desert, need, and equality when asked about fair distribution in different contexts, and also at how they balance the principles against one another when, say, both desert and need considerations are made relevant to a particular decision<sup>31</sup>. Popular conceptions of equity and justice turn out to be pluralistic in both these senses: no single principle seems able to capture all the judgments people make or the distributive procedures they follow.

More recently, Norman Frohlich and Joe Oppenheimer have conducted a series of experiments in which subjects ignorant of their own likely place in the reward schedule were asked to choose from among four alternative principles for distributing income. The experiment results confirm pluralism in beliefs about

justice. In their experiments, subjects were concerned on the one hand with ensuring that no one lived in poverty; on the other hand they wanted to ensure that the able and hard-working had a chance to reap large rewards. The difference principle was rejected because it emphasized the first concern to the entire exclusion of the second<sup>32</sup>.

### **Adam Swift – Equality Index**

Similarly Adam Swift and his collaborators constructed an equality index from the following three items:

1. “The fairest way of distributing wealth and income would be to give everyone equal shares.”
2. “It is simply luck if some people are more intelligent or skilful than others, so they don’t deserve to earn more money”
3. “The government should place an upper limit on the amount of money any one person can make.”

They have examined data for Britain, the United States, and West Germany. In Germany the effects of class on belief in equality are trivial. In Britain a significant correlation can be found when education level and class are combined, and in the United States class alone has a significant effect<sup>33</sup>. In India they could not find data.

Thus, there are significant class differences in explanations of wealth and poverty—those who are better off themselves tend to prefer explanations in terms of individual responsibility, whereas those who are worse off point to structural features such as unequal opportunities<sup>34</sup>. These differences also affect the opinion people have on the justice of present social arrangements, and equal distribution of the developmental benefits.

It is also indicated that such beliefs are to a very considerable extent adaptive, in the sense that they merely reflect the existing distribution of social advantages. People do not use independently grounded principles to assess the way their society allocates its resources; rather, their beliefs are moulded so that they come to believe that distribution is deemed unfair simply if it departs from the usual way in which advantages or benefits are allocated in the society in question.

From the discussion thus far, we can draw several conclusions about popular conceptions of equal distribution and Justice. First, people seem to be perfectly at home with the notion of social justice itself: they are prepared to apply criteria of distributive justice to existing social arrangements, and to say in broad terms what a just society would look like although they are skeptical about the chances of achieving one.

Second, people's thinking about distributive justice is pluralistic in the sense that they recognize several different Criteria of justice: depending on the issue they are being asked to address, they may either apply a single criterion to determine what justice requires or look for a compromise solution that invokes two or more. Their thinking is also contextual, meaning that the favored criterion or criteria will vary according to the social background against which the distributive decision is being made-especially the character of the group within which the allocation will take place.

Third, desert and need criteria feature prominently in this thinking. In the case of desert, we find that it is often difficult to disentangle beliefs about rewarding desert from beliefs about the necessity of giving people incentives or compensation and allowing for diversity: We also find some uncertainty about what should be the proper basis for desert in cases in which it was possible to separate the voluntary aspects of people's behavior from their performance as a whole.

In the case of need, it is clear that people see an important distinction between genuine claims of need and mere wants or preferences. We can see a reasonable degree of consensus, for instance, about which items of current consumption are to be regarded as necessities. When people think about need at the social level, they see it as setting a floor or baseline below which no one should be allowed to fall, rather than as making a claim on all of society's resources.

The third principle after need and desert is equality. Its role in popular thinking about distributive justice is not straightforward. Sometimes equality seems to be favored on grounds of simplicity, or because of lack of evidence about people's different deserts or needs. But we have also found, in people's thinking about

social distribution, a tendency to favor more equality than presently exists in liberal democracies. This is partly to be explained by considerations of desert and need: people do not regard income inequalities of the size that currently obtain as deserved, and at the bottom of the scale they also think it unfair that people cannot earn enough to meet their needs. At least some, however, seem to hold the view that the quality of life in contemporary societies would be improved if the differences between rich and poor could be narrowed.

Societies are just, we can say, to the extent that their major institutions conform to principles of need, desert, and equality—principles that together specify an overall allocation of advantages and disadvantages to individual members in a way that may finally lead to an equalitarian society based on a consensual equal distribution of benefits of development.

### **Indian Scenario**

Independent India set out to overcome its colonial under-development on the basis of planned development of its agriculture, industry, and human resource. It was to be based on an overall assessment and evaluation of the needs of India's autonomous development free of subordination to the metropolitan interests as also for banishing poverty and promoting equity and social justice. For this, optimum utilization of existing resources was imperative. Furthermore, the human and capital resource were to be augmented because the problem before India was not merely of economic development in terms of increasing production of goods and services or growth, we were also to ensure a mechanism of distributive justice encompassing all elements of social justice with special emphasis on alleviation of poverty, equality of opportunity and delivery of basic services to all.

Four decades of planning show that India's economy, a mix of public and private enterprise, is too large and diverse to be wholly predictable or responsive to directions of the policy makers and planning authorities. Actual results usually differ in important respects from plan targets. Major shortcomings include insufficient improvement in income distribution and alleviation of poverty, delayed completions and cost overruns on many public-sector projects, and far too small a return on many public-sector investments. Even though the plans have

turned out to be less effective than expected, they help guide investment priorities, policy recommendations, and financial mobilization.

Consequently, there is a shift in Government's approach towards development<sup>35</sup>. Instead of relying only on increase in general affluence to enhance the living standards of citizens, the approach is to consider the acquisition of minimum levels of education, health, employment nutrition as basic entitlements, and recognize the key role of the state in providing them to every needy citizen in the country.

There is also increased emphasis on promoting balanced development in which all regions in the country have the opportunity to develop evenly. This equity-promoting role demands that greater resources be allocated to the backward regions to remove gaps in the provision of basic services and human development. As a result, large investments will flow to those districts of the country which are classified as backward. Admittedly, these are the most difficult districts to implement development programmes because of poor governance structures, low organizational capacity, weak infrastructure and unequal power structures. If the programmes can be implemented with a modicum of success in these backward regions, it would mainstream development in the poorest parts of the country.

The Indian economy on the eve of the 11<sup>th</sup> Plan is in a much stronger position than it was a few years ago<sup>36</sup>. However, large parts of our population are still to experience a decisive improvement in their standard of living. A great number of people still lack access to basic services such as health, education, clean drinking water and sanitation facilities without which they cannot be empowered or even claim their share in the benefits of growth. These essential public services not only have an impact directly on welfare, they also determine economic opportunities for the future as they are critical inputs which determine the growth potential in the longer term.

---

## **7.8 CONCLUSION**

---

Equal distribution of benefits to all is an essential requirement for sustainable development of a nation. There is a need to explore processes through which the benefits of growth and development can be extended to the vast masses of India. The theoretical and experimental discussion in the previous pages provides insights into the ways and means to be adopted towards achieving this. Various organizations are also working towards this end. The government is even trying to find ways of bringing the benefits of technology-enabled learning to the rural areas to reduce the glaring digital divide. All this is essential to link growth with an improved Human Development Index.

---

## 7.9 KEY CONCEPTS

---

**Dependency Theory:** Dependency theory is the body of social science theories by various intellectuals, both from the Third World and the First World, that create a worldview which suggests that the wealthy nations of the world need a peripheral group of poorer states in order to remain wealthy.

Dependency theory first emerged in the 1950s, advocated by Raul Prebisch whose research found that the wealth of poor nations tended to decrease when the wealth of rich nations increased. The theory quickly divided into diverse schools. Some, most notably Andre Gunder Frank, adapted it to Marxism. "Standard" dependency theory differs sharply from Marxism, however, arguing against internationalism and any hope of progress in less developed nations towards industrialization and a liberating revolution. Former Brazilian President Fernando Henrique Cardoso wrote extensively on dependency theory while in political exile. The American sociologist Immanuel Wallerstein refined the Marxist aspect of the theory, and called it the "World-system."

**The Human Development Index (HDI):** The Human Development Index is a comparative measure of life expectancy, literacy, education, and standards of living for countries worldwide. It is a standard means of measuring well-being, especially child welfare. It is used to distinguish whether the country is a developed, developing, or under developed country, and also to measure the impact of economic policies on quality of life.<sup>[1]</sup> The index was developed in 1990 by Pakistani economist Mahbub ul Haq, and has been used since 1993 by the United Nations Development Programme in its annual Human Development Report.

The HDI measures the average achievements in a country in three basic dimensions of human development:

- A long and healthy life, as measured by life expectancy at birth.
- Knowledge, as measured by the adult literacy rate (with two-thirds weight) and the combined primary, secondary, and tertiary gross enrolment ratio (with one-third weight).
- A decent standard of living, as measured by gross domestic product (GDP) per capita at purchasing power parity (PPP) in USD.

Each year, UN member states are listed and ranked according to these measures. Those high on the list often advertise it (e.g., Jean Chrétien, Former Prime Minister of Canada [1]), as a means of attracting talented immigrants (economically, individual capital) or discouraging emigration.

**Sustainable Development:** Sustainable Development is an term used to describe methods of creating economic growth which protect the environment, relieve poverty, and do not destroy natural capital in the short term at the expense of long term development.

While many definitions of the term have been introduced over the years, the most commonly cited definition comes from the report *Our Common Future*, more commonly known as the Brundtland Report, which states that sustainable development is development that "meets the needs of the present without compromising the ability of future generations to meet their own needs".

---

<sup>1</sup> Skinner and Wilson, *Essays on Adam Smith*, Clarendon Press, Oxford, 1975, p. 601.

<sup>2</sup> Spencer, *The Principle of Ethics vol. II* p. 17 quoted by David Miller in *Social Justice* Clarendon Press, Oxford, 1976, p. 186.

<sup>3</sup> This view, expressed by George Harris in *Inequality And Progress*, New York, Arno Press, 1897, at p. 7 has been discussed by Livingston, J.C. in *Fair Game? Inequality And Affirmative Action*, W.H. Freeman and Company, 1979, at p. 127.

<sup>4</sup> Skinner and Wilson, *op. cit.*, p. 17.

<sup>5</sup> Ibid, p. 25.

<sup>6</sup> Ibid, at p. 30.

<sup>7</sup> Rawls, *A Theory of Justice*, Oxford, Oxford University Press, 1971, p. 302.

<sup>8</sup> Kropotkin, *The Conquest of Bread*, New York, 1926 p. 10 quoted by Miller, D., *Social Justice*, oxford, Clarendon Press, 1976, p. 20.

<sup>9</sup> See Miller, D., *Social Justice, op. cit.*, p. 245.

<sup>10</sup> This View has been expressed by Spencer in *The Study of Sociology*, p. 314 and has been discussed by Miller in *Social Justice*, p. 197.

<sup>11</sup> A 'free market society' is characterized by entrepreneurs who owned and managed their own firms and made individual contracts with free workers according to the current conditions of the labour market. In these societies each man was seen as independent. Organized capitalism, on the other hand, is marked by the rise of large enterprises increase' in the average size of the companies, emergence of giant firms and broadening

---

and strengthening of trade union movement. Organized capitalism has substituted collective bargaining between trade unions and large corporations. In these type of societies, each person is seen as part of corporate group which collectively supplies goods and services to the society.

<sup>12</sup> K.T Chandy, "Social Justice and Requirements for Development," *Legal News and Views*, No.6123, 1992, pp.42-44.

<sup>13</sup> See the general claim to this effect in M. Walzer, *Spheres of Justice: A Defence of Pluralism and Equality* (Oxford: Martin Robertson, 1983), and the copious evidence collected in J. Elster, *Local Justice: How Institutions Allocate Scarce Goods and Necessary Burdens* (Cambridge, England: Cambridge University Press, 1992).

<sup>14</sup> See J. Elster, *The Cement of Society: A Study of Social Order* (Cambridge, England: Cambridge University Press, 1989).

<sup>15</sup> See P. Brickman et al., "Micro justice and Macro justice," in M. and S. Lerner, eds., *The Justice Motive in Social Behavior* [New York: Plenum Press, 1981]).

<sup>16</sup> Helpful reviews include G. Leventhal, "Fairness in Social Relationships," in J. Thibaut, J. Spence, and R. Carson, eds., *Contemporary Topics in Social Psychology* (Morristown, N.J.: General Learning Press, 1976); G. Mikula, "On the Role of Justice in Allocation Decisions," and T. Schwinger, "Just Allocations of Goods: Decisions among Three Principles," in G. Mikula, ed., *Justice and Social Interaction* (Bern: Hans Huber, 1980); K. Tornblom, "*The Social Psychology of Distributive Justice*," in K. Scherer, ed., *Justice: Interdisciplinary Perspectives* (Cambridge, England: Cambridge University Press, 1992).

<sup>17</sup> See W.I. Griffith and J. Sell, "The Effects of Competition on Allocators' Preferences for Contributive and Retributive Justice Rules," *European Journal of Social Psychology*, 18 (1988): 443-455.

<sup>18</sup> See M. Deutsch, *Distributive Justice* (New Haven: Yale University Press, 1985) and D. Miller, *Principles of Social Justice*, Cambridge, Harvard University Press 1999.

<sup>19</sup> See E. Kayser and H. Lamm, "Causal Explanation of Performance Differences and Allocations among Friends," *Journal of Social Psychology*, 115 (1981): 73-81.

<sup>20</sup> See Mikula, "On the Role Justice Allocation Decisions"; E. G. Shapiro, "Effect of Expectations of Future Interaction on Reward Allocation in Dyads: Equity or Equality," *Journal of Personality and Social Psychology*, 31 (1975): 873-880.

<sup>21</sup> See G. Leventhal, "The Distribution of Rewards and Resources in Groups and Organizations," in L. Berkowitz and E. Walster, eds., *Advances in Experimental Social Psychology*, vol. 9 (New York: Academic Press, 1976).

<sup>22</sup> See G. Leventhal and J. Michaels, "Locus of Cause and Equity Motivation as Determinants of Reward Allocation," *Journal of Personality and Social Psychology*, 17 (1971): 229-235; K. Y. Tornblom and D. R. Jonsson, "Subrules of the Equity and contribution Principles: Their Perceived Fairness in Distribution and Retribution," *Social Psychology Quarterly*, 48 (1985): 249-261.

<sup>23</sup> Presented with this choice, 78 percent of American subjects preferred income inequality and only 7 percent preferred equality. (See H. McClosky and J. Zaller, *The American Ethos: Public Attitudes toward Capitalism and Democracy* [Cambridge, Mass: Harvard University Press, 1984], p.840. In contrast, 19 percent of Americans agreed strongly or somewhat with the first statement about equal shares. (See *International Social Project: Documentation and Codebook*

<sup>24</sup> A. Swift, G. Marshall, and C. Burgoyne, "Which Road of Social Justice?" *Sociology Review*, 2 (1992), p. 29.

- 
- <sup>25</sup> T.W. Smith, "social Inequality in Cross-National Perspective," in D. Alwin et. Al., *Attitudes to Inequality and Role of Government* (Rijswijk: Social en Cultureel Planbureau, 1990), p. 25. The countries surveyed were the United States, Britain, Hungary, West Germany Australia, Holland, and Italy. Of these only the Dutch stood out against inequality, with agreement raters averaging less than 50 percent.
- <sup>26</sup> S. Svallfors, "Dimensions of Inequality: A Comparison of Attitudes in Sweden and Britain," *European Sociological Review*, 9 (1993), p.272.
- <sup>27</sup> J. Kluegel and E. Smith, *Beliefs about Inequality: Americans' Views of What Is and What Ought to Be* (New York: Aldine de Gruyter, 1986), p. 107.
- <sup>28</sup> McClosky and Zaller, *American Ethos*, p. 66.
- <sup>29</sup> P. Taylor-Gooby, *Public Opinion, Ideology and State Welfare* (London: Routledge and Kegan Paul, 1985), chap. 2.
- <sup>30</sup> See N. Jaffe, "Attitudes toward Public Welfare Programs and Recipients in the United States," appendix to L.M. Salamon, *Welfare: The Elusive Consensus* (New York: Praeger, 1978).
- <sup>31</sup> There are very few studies that explicitly investigate the way people aggregate justice and distribution concerns of different kinds into an overall judgment, but for a micro-experiment see G. Elliot and B. Meeker, "Achieving Fairness in the Face of Competing Concerns," *Journal of Personality and Social Psychology*, 50 (1986): 754-760.
- <sup>32</sup> Frohlich, Oppenheimer, and Eavey, "Choice of Principles of Distributive Justice in Experimental Groups," p. 630.
- <sup>33</sup> A. Swift, G. Marshall, C. Burgoyne, and D. Routh, "Distributive Justice: Does It Matter What the People Think?" in Kluegel et al., *Social Justice and Political Change, op. cit.*
- <sup>34</sup> See J. Rytina, W. Form, and J. Pease, "Income and Stratification Ideology: Beliefs about the American Opportunity Structure," *American Journal of Sociology*, 75 (1970): 703-716.
- <sup>35</sup> See, *Unlocking Human Capital Entitlements and Governance – A Case Study*, Second Report, Second Administrative Reforms Commission, New Delhi, July 2006.
- <sup>36</sup> See, *Towards Faster and More Inclusive Growth*, An Approach to the 11<sup>th</sup> Five Year Plan (Draft), Planning Commission, Government of India, June 2006.