HS0.303: Applied Ethics

Assignment 3

<u>Q:</u>

Watch *Nero's Guests: The Age of Inequality* (Dir: Deepa Bhatia) and address the questions regarding the Rawls--Nozick debate.

- 1. What are the various forms of inequality you can identify in the documentary? (2)
- 2. What is the diagnosis that Sainath offers for the problem of inequality and the agrarian crisis? (3)
- 3. How would (a) John Rawls and (b) Robert Nozick approach the problem of inequality portrayed in the documentary? Note 5 points each that would capture the above two philosophers' line of thought. (10)
- 4. Would you take a Rawlsian or a Nozickian approach to addressing the inequality showcased therein? Explain your position by comparing its implications with the other approach. (5)

Nero's Guests: The Age of Inequality

https://youtu.be/I1XaVvG9rgU

Ans 1:

In the documentary, "Nero's Guests: The Age of Inequality", Deepa Bhatia addresses the various inequalities in the rural life of Indian society. The documentary explores the life of Indian farmers in the Maharastra, how gender, class, power and economic status affect their life in various instances, and how these inequalities lead to injustice in society.

- 1. The economic status of an individual plays an essential role in the number of opportunities available to them. The documentary highlights the economic inequality resulting in inequality of opportunities by mentioning the current banking system of the country. We know instances where banks extend loans and credit cards to people from the rich economic section of society. On the other hand, a small farmer has to give a mortgage to avail of a loan, and the process of availing of a loan is so complex that many farmers end up taking loans from local moneylenders, and many farmers fall into endless debt trap. This shows how the inequality of opportunity, which started from the access to education, continued to dictate the life of the underprivileged in our society.
- 2. Apart from the unequal opportunities, the documentary mentions the inequality of treatment for various reasons. The government gives the economic hubs or tier-1 cities the upper edge in various services compared to a small village. This can be explained as the metropolitans, and tier-1 cities are the centres for business and generate enormous revenue for the state, which provides services to other regions. And this leads to unequal treatment from the government toward people from different regions. The documentary highlights how a metropolitan hardly faces electricity power cuts, which is quite common in rural areas.
- 3. Moreover, the metropolitans have 24-hour access to water, where the water comes at fixed times in the Vidarbha region. Another instance mentioned in the documentary is that the Finance minister responds as soon as possible in case of a stock market downfall. In contrast, the Prime Minister of the country did not visit the drought-ridden regions of Vidarbha in the last ten years to talk to the families of farmers and get knowledge of their plight. This raises the question if the government should be fair and treat everyone individual as equal or the government should prioritize its population.
- 4. The inequality of treatment is not only limited to the wealth generation, but on an individual level, gender also plays an important role. The narrator mentions how the government compensates a farmer's family if the farmer commits suicide owing to the failure of a crop or being trapped inside an endless debt loop. However, the government did not provide any form of support to the family of Sudamani, a female farmer who committed suicide. This shows how only male farmers are considered farmers, and females working in the same field are considered workers. This shows how a female's identity is still defined based on the men in her life. Earlier, it was her father, then her husband and later her son. But society fails to recognize women and their contribution in different sectors.

Ans 2:

The narrator, P Sainath, talks about how the current agrarian system has been saturated with different inequalities at different levels. Sainath talks about how farmers could own their land and cultivate freely, but the government policies around agriculture are constructed while thinking of the rich.

Firstly, a considerable proportion of our population depends on agriculture. After every harvest, the farmer relies on the market and government for earnings. Either the government buys his harvest, sells it directly to the market or has an agreement to supply his harvest to a corporation at an agreed sum. In this system, a good harvest can not be achieved with certainty annually, making the farmers take loans to cultivate the next year and get into a debt trap they can't easily escape. Moreover, corporate families have different

channels of resources to get raw materials for their products. Therefore they can replace any farmer at any moment possible if they get a better deal. Therefore, it puts the corporates in the central position as the government makes policies per their needs, and the corporation can manipulate the market anytime. And as a result, the corporate control the agrarian economy in the current system rather than the farmers themselves, and the farmers get trapped in this system for generations because of inequality of opportunities.

Moreover, owing to the over-dependence of the Indian population on agriculture, the prices of pesticides and fertilizers shooting up, and the harvest yielding almost the same amount, Sainath believes it is better to migrate to the cities and look for a different job rather than stick to unprofitable agrarian practices. However, the number of jobs in the public sector is also fixed, and the public sector can't accommodate this colossal number of people. And due to the lack of employment opportunities, many end up in low-paying jobs where they hardly survive and make ends meet, which keeps them in the same economic situation as earlier. Therefore, Sainath believes it is the government's job to develop more industries to accommodate other sectors' populations and provide everyone with equal opportunities.

Ans 3:

(a) Rawlsian approach to the problem of inequality

In "A Theory of Justice", John Rawls states that the guiding principles of a society should be designed with a "veil of ignorance", where he mentions that we should design the social contract so that everyone has zero knowledge of their economic class, intelligence, strength, assets and abilities. Then, we should divide everyone in society into different roles, such that the roles are distributed arbitrarily, and it depends upon one's luck about which class they would land in. Rawls says that in such a setting, we would be equally concerned for everyone as we don't know which role we might end up in, and Rawls says that we would be more concerned about people with low incomes in such a setting as we might also end up in the same bracket.

Then, he came up with the Liberty Principle and the Difference Principle. According to the Liberty principle, everyone has the right to the greatest equal liberty possible. And in the Difference principle, Rawls stated that society's social and economic differences could be justified if they serve the worst off. Also, when you intend to change society, you must improve the situation for people at the bottom of the heap so that the rich don't keep getting rich and the poor don't keep getting poorer. Rawls's idea of justice is a means of fairness in society, and a society formed in such a way would be fair to everyone.

Now, if we see the conditions of farmers in the documentary through the veil of ignorance, we realize that their society is highly unfair, where the rich exploit the poor through different means. It is the rich who keep exploiting the poor to get richer. Therefore, Rawls states that society's wealth should be actively redistributed to benefit those at the bottom. To implement a Rawlsian approach, we need a strict government intervention where the government recognizes the system's unfairness and redistributes the wealth in different ways, such as taxation and welfare schemes.

Taxations are not only the state's revenue source but also necessary to maintain stability and equality in society. To maintain stability in any society, we must ensure that there should be no huge gap between different classes, which is one of the significant reasons for tensions between different classes and conflicts. For example, the basis of the French revolution was the same: the elites were getting richer, whereas the poor were finding it difficult to survive. One can see taxation as a method to redistribute wealth so that the poor don't keep getting poorer and the rich don't keep getting richer only. Now, taxation can be used to benefit the weakest.

The Rawlsian approach to eradicating the inequality of opportunity and the inequality of treatment can be made by taking the following measures, which essentially involve the redistribution of resources to benefit those at the bottom:

- 1. **Easing the loan process** for the farmers. Fundamentally, the farmer needs capital in the form of money to buy resources such as seeds, pesticides and fertilizers every year. And the current agrarian crisis doesn't allow many farmers to save for next year's resources. And the current banking system favours the rich more, and the farmers find it difficult to get a loan to buy resources, which often leads to debt traps. Therefore, the farmers' loan process should be more straightforward so that the government can provide them with affordable loans with lower interest.
- 2. Now, when the government has a good amount of revenue through taxation, it could be used to make free markets where the farmers can sell their harvest at reasonable prices, ensuring fair trade in the state and competition. And access to markets also reduces the levels and numbers of various individuals involved, increasing farmers' profit margins. The standard population can avail of the products at cheaper rates. Moreover, the government can use the taxation for **infrastructure** developed for cold storage and godowns to reduce crop wastage, and the surplus could be sold to industries or exported to other nations, yielding more profits for the government.
- 3. Another method to increase the profits for the farmers in the present agrarian crisis is to **provide the resources** such as seeds, fertilizer, electricity and water at subsidized rates, which increases the profit margins for the farmers.
- 4. One of the significant critiques Sainath gave in the documentary was that the policies for people experiencing poverty involve Harvard graduates and everyone but not the poor themselves. There should be a **representation of farmers** in the committees responsible for making laws for them, which solves the problem of inequality of representation.
- 5. Now, the redistribution of wealth should not be limited to capital only. Knowledge should also be considered wealth. Education access allows farmers to opt for better cultivation techniques, be aware of financial debt traps, and, most importantly, search for employment in different sectors. Therefore, in this form of **redistribution**, the government should focus on benefiting those with a minor education, i.e. opening schools accessible to everyone.

(b) Nozick's approach to the problem of inequality

Robert Nozick believed that inequality could exist in any just society. In his "The Entitlement Theory of Justice", he mentioned that as long as anyone is acquiring a holding under the principle of "justice in acquisition" and the principle of "justice in transfer", then one is entitled to the holding. Unlike Rawls, who believed that redistribution of wealth in society benefits the poor, Nozick believed that government should not forcibly tax the rich to benefit the poor is a violation of the liberty of the rich.

Nozick firmly supported the rights of individuals and believed that if someone has generated wealth through their intelligence and hard work, taxing them forcibly infringes on their rights. Therefore, Nozick advocated for minimal government intervention and believed there should be no Robin hood in society that robbed the rich for the poor. And as Nozick had no issues with pre-existing societal inequality, solving the agrarian crisis with a Nozickian approach is challenging.

Nozick advocated for individual rights where the wealth generated by hard work under the principle of "justice in acquisition" and "justice in transfer" is wealth. However, in the case of farmers, these principles are not followed. The corporate easily manipulates the markets and forces the farmers to sell their harvest at a much lower price than the market price as they have no other option. Moreover, the

farmers can't refuse to sell as the corporates can easily find raw materials from other channels. Therefore, fighting with the sharks individually is an impossible task.

One possible Nozickian approach to tackle this is to form a cooperative society. A cooperative society is an organization owned and operated by a group of people who share a common interest. The members of a cooperative society work together to achieve a common goal, such as providing goods or services to the members of the society. For farmers, the common goal could be to share knowledge and resources and get the maximum value for their produce.

The significant change that the formation of a cooperative society would bring is that it would drastically transform the relationship of farmers with different bodies. The coming of a significant number of farmers together would change their dependence on corporates to sell their harvest to the interdependence of both as the corporate bodies need raw material, and they can't say no to a large number of farmers, which they could have said to an individual farmer. This makes both of them interdependent and gives a better negotiating position to the farmers.

Moreover, the cooperative can eventually work as a corporate body with many owners. They can compete with other cooperate bodies to process their produce, make their products, and get back with higher profits from the market. And this can be seen in the structure of AMUL, which is also a cooperative based in Anand, Gujarat, or in the model of Lijjat Papads.

Ans 4:

The Rawlsian and Nozickian approaches are fundamentally different at the elementary level. Rawls required the government to intervene in the present agrarian crisis and help the bottom for fairness in society. In contrast, Nozick believed that the rich could generate wealth because of their intelligence and hard work. Therefore, the farmers should unite to form a cooperative to capitalize on their hard work and fight the agrarian crisis without government intervention. Now let us discuss the possible implications of both approaches.

The Rawls approach sounds like an excellent system to tackle and uplift low-income people from the agrarian crisis. This approach is highly based on the assumption that government works for the welfare of people experiencing poverty. However, in the real world, the political parties that run the governments are funded by corporate giants. Therefore, they make the policies per their stakeholders' needs.

The Nozickian approach has seen a few successful examples, such as Amul and Lijjat Papads. However, this approach cannot be universalized. Firstly, in the present agrarian crisis, it is challenging for the farmers to survive and coming together to deal with a corporate body on their terms is something they can't afford. Also, a successful cooperative requires many farmers to come together. The farmers must work hard, and forming a successful cooperative takes years. Moreover, if we assume that this approach works efficiently, it would lead to the formation of n different cooperatives within the nation, as all farmers can't work with the same principles and goals. This would transform the battle of farmers to survive into the battle among the cooperatives, and in the end, some cooperative or another has to face the consequences of the competition.

And as the Nozickian approach can not be universalized and the Rawlsian approach requires the government to work with the goodwill of the welfare of people, it is easier to follow a Rawlsian approach and get better results nationwide.

References:

- https://www.youtube.com/watch?v=I1XaVvG9rgU
- Rawls, John, 1921-2002 author. A Theory of Justice. Cambridge, Massachusetts: The Belknap Press of Harvard University Press, 1971.
- Nozick, Robert. Anarchy, State, and Utopia. 2nd ed., Basic Books, 2006.