

# Perspectives on Moral Economy



## Agendas for Moral Economy

This paper was written for a workshop - Moral Economy: Agendas for the Future

I set out here some of the main issues which, it seems to me, might be addressed in studies of moral economy. In order to be able to cover the extensive range of possible issues I have adopted a deliberately telegraphic style, omitting many of the necessary qualifications. Each one of the points made here is contestable, and indeed is intended to invite contestation. I accept that this is an uneven treatment of a vast, sprawling field, but I hope that won't prevent it provoking debate.

### 1. A definition and a brief elaboration

'Moral economy' might be defined as a kind of inquiry focussing on how economic activities of all kinds are influenced and structured by moral dispositions, values and norms, and how in turn these are reinforced, shaped, compromised or overridden by economic pressures. We can also use the term 'moral economy' to refer to the object of this kind of inquiry. On this definition, all economies – not merely pre- or non-capitalist ones - are moral economies (Booth, 1994). As a kind of inquiry it can be primarily positive or normative, though that distinction breaks down in dealing with matters of needs and flourishing and suffering.

For this purpose 'moral' and 'economy' are best defined broadly. The moral concerns lay norms (informal and formal), conventions, values, dispositions and commitments regarding what is just and what constitutes good behaviour in relation to others, and implies certain broader conceptions of the good or well-being. It includes concerns sometimes dealt with separately as matters of ethics. It also concerns relationships of care ignored by much conventional moral philosophy. In taking a very broad conception of the moral, one that includes (largely implicit) conceptions of the good, we create a space not only for assessing moral aspects of economic practices, and economic influences on morality, but also for the assessment of how economic organisation affects human well-being.

Of course, just what counts as moral, as opposed to immoral, behaviour is contestable; some forms of moral economy, for example, that of the patriarchal household, might be deemed immoral, and as domination disguised as benevolence and fairness. The study of moral economy does not have to be conservative but can expose and criticise such institutions. In everyday life moral concerns can prompt resistance as well as conformity. By definition, a critical or radical approach cannot reduce motivation wholly to matters of interests and power, ignoring the pursuit of and concern for the good. Morality cannot be wholly reduced - as in the manner of adolescent iconoclasm - to a front for power and interest. Contrary to prevailing alienated conceptions of morality in sociology, in which it is viewed as of minor importance and merely as an external system of regulation of behaviour, and an inherently conservative one at that, it is necessary to remember how central morality, as defined above, is to our emotional lives, commitments, identities and well-being.

The development of particular (im)moral sentiments and behaviour requires particular institutional forms. (As classical political economy emphasized, this goes for self-interest as much as benevolence, indeed all virtues and vices). Individuals are not likely to act in a way which is rendered disadvantageous by the existing institutional context. E.g. even if they recognise that a certain course of action A is ethical, they may not do it if it just makes things easier for unethical actors. Thus quasi-markets in education and health encourage individuals to think of their self-interest, and even to act in ways which they might otherwise consider unethical, for fear of being a sucker. Moral critiques such as those of Etzioni, Sagoff and Wolfe, which appeal mainly to the capacity of actors for acting morally as well as on the basis of their economic self-interest ('the inner voice of conscience') tend either to overlook the importance of institutional contexts (O'Neill, 1994), or idealise them as in communitarianism, as if shared values were all that were needed to harmonise conduct. Hence dominant forms of economic organisation may reinforce, distort or weaken particular moral and immoral sentiments (for example, encouraging selfishness and vanity). However, moral sentiments and norms are only partly a product of prevailing forms of economic organisation. To some degree they are (fallibly) oriented to the pursuit of well-being, and where the institutional context is recognized to be at odds with this it may engender resistance.

Although well-being may be socially-defined in various ways, and take many forms, not just anything can be socially constructed as moral or fair. There is a universal human psychological need not just for social interaction but for recognition, and as Smith and Hume noted, its absence causes serious suffering. Some degree of recognition of and from others, if only minimal, is expected in most social interactions including those of economic activities. This pursuit of recognition is a component of what is sometimes called the embedding of economic activities. E.g. although contracts invite the contractors to treat each other purely as means to their ends, rather than as ends in themselves, actors commonly demand some recognition of their standing as ends in themselves. Much worker resistance (both to bosses and customers) derives from this. As the Scottish Enlightenment thinkers stressed, beyond subsistence level, economic activities are partly driven by the pursuit of recognition, albeit often in the 'corrupted' forms of status and vanity.

The 'economic' is taken to cover all provisioning activities, not only those of the formal, cash economy, but also those of the informal, particularly household economy. The economy should not be reduced to capitalist economic processes, nor should the latter be reduced to 'the market'. In addition to studying directly economic activities and institutions, moral economy could also deal with economically conditioned and conditioning institutions such as educational organisations. All instituted economic practices embody assumptions about rights and the good, about entitlements, fairness and propriety, even though they are also often products of unequal power. Of course many economic processes derive from the unintended consequences of actions, but these are open to ethical evaluation and regulation too, since all economic activities and relations have ethical implications.

Economic institutions embody conventions about moral-economic matters, in particular regarding property rights (for example, the treatment of the goods produced by a capitalist firm as the property of the capitalist, not the workers), or regarding the legitimacy of usury, or the nature and distribution of rights and responsibilities, or the difference between gifts and entitlements or compensation (Zelizer), or the distribution of economic roles and rewards according to identity, and so on. While some of these may only have been established through long processes of struggle (as E.P. Thompson emphasized), once established they tend to become naturalized and depoliticized. In the case of capitalism, they do not merely constrain but enable and promote capitalist development. They may become part of the social imaginary. Gendered moral-economic norms have been also institutionalised by appeals to commonsense assumptions of gender as grounded in nature. Political economy has sometimes contested but often provided legitimations of these moral-economic norms (e.g. profit and

interest as rewards for waiting, as compensation for contribution of capital, etc), although once the economic practices in question are widely institutionalized, economic theory tends to treat them as parameters, marking their transition from contentious norm to quasi-natural fact, in so doing asserting its status as 'positive' economics. In other words there is a shift from the normative to the normalized, in which, as Habermas puts it, questions of validity are turned into questions of behaviour.

At any point in time, we tend to notice the moral-economic issues which are currently being struggled over (e.g. whether to allow insurance companies access to individuals' genetic data), but the subject of moral economy is also about all the moral-economic issues which have been forgotten but still help to constitute or 'frame' economic practice. Thus, the right of capitalists to the ownership of not only means of production but their firms' output, seem to be set in stone and unquestioned, although it was contested at the beginning of the industrial revolution. Some moral-economic conventions are open to continual contestation, for example those of the domestic division of labour, or those regarding appropriate behaviours and powers of capital/management and labour in the workplace and labour market.

The formation of 'the economy' as a distinct sphere and as an institutionalized system is very much the product of a whole series of acts of framing, narrowing down possibilities and matters which are uncertain and contestable so as to create a determinate basis for economic activity and interaction, and techniques of 'purification' of economic activities to exclude interferences. These are achieved both physically through the spacing and timing of actions, actors and materials, and techniques of discipline in Foucauldian fashion, and conceptually or ideologically through the normalisation and legitimation of previously or potentially contestable arrangements. Economic institutions also typically define the legitimate scope and form of negotiation and contestation of arrangements, for example, defining what trade unions may contest and what they may not. If too much is allowed to be contested, then efficient, regularised economic activities may be prevented, though the point of such normalisation is typically the defence of concentrated political economic power, not merely efficiency. (The common use in mainstream economics of folksy examples of informal exchanges of goods between ordinary individuals as a model of highly formalised economic systems is disastrous not only in reducing economy to exchange but in ignoring the complex institutionalisation required for efficient economic activity.)

While the history of economies is very much about power and economizing, struggles are also about the good, about justice and about what enables human flourishing. In both positive and normative modes, the project of moral economy is not only to address novel problems, such as commodification of genetic material, but to treat the existing normalised moral-economic conventions as contingent social forms which embody normative assumptions which in principle are still open to contestation.

Is this a reasonable way to define moral economy?

## **2. Why bother? What's the point?**

1. As a matter of fact, economic behaviour is influenced and structured by values and norms, etc. Conversely, economic institutions, like others, influence actors' interests, priorities and moral sentiments and behaviour. However recent economics and political economy and related social sciences have not examined this to any extent. 'Cultural political economy' and recent economic sociology, with their frequent references to 'norms', 'conventions' and 'rules' might claim to be doing this, but to understand moral economy we need to go beyond sociologically reductionist treatments which ignore the normative structure of moral sentiments and norms and their relation to well-being and reduce them to mere conventions

that tend to support social order. This renders economic sociology's emphasis upon conventions, norms, etc., unnecessarily bland and boring. More generally, given the importance of normativity in everyday life, positive social science needs to take its content and rationales seriously.

2. It's also important for any critical and normative social science. In the abstract, the transhistorical purpose or point of any economic activity is to allow people the wherewithal to live well, which of course is similar to the goal of ethics. (In specific forms of economic system, it may not be; it may be dominated by the interests of a specific group, or, as under capitalism, directed towards profit). The most important question about economic phenomena is how they affect human (and ecological) well-being. To some extent moral influences on economic behaviour reflect this, though as already noted moral understandings may also legitimise domination. Like any activity or social relation, economic activities and relations have ethical implications which can be evaluated. While much economic analysis, and indeed political economy, takes capitalism's own goals and forms of valuation as given, and adopts an 'engineering' rather than an ethical standpoint, economic arrangements can be examined from the point of view of how they affect human well being. This is most explicit in applications of the capabilities approach (Sen/Nussbaum – see below), but is implicit in any critical political economy (e.g. Marxist and feminist economics). In adopting such an approach we are obliged to do something which is long overdue: examine, clarify and assess the critical standpoints of radical social science itself. Although it has been reluctant to acknowledge it, its critiques necessarily presuppose moral concerns, as defined above. In the study of moral economy we can reverse the transformation of questions of validity into questions of behaviour, in so doing exposing what has been normalised to renewed normative assessment. In this way, the study of moral economy has potential for developing our critical examinations of economic life.

### **3. Objects of study: particular institutions and practices**

These range, roughly by scale, from families/households, firms and other organisations, markets and other modes of coordination of divisions of labour, the welfare state, through to international business and trade and its regulatory institutions. Alternatively one could focus on particular practices such as insurance, usury, wages for housework, unemployment benefit, employment regulation, unequal exchange, 'ethical' trade and investment, commodification of health services, genetic data, etc.

Any particular economic practice typically involves several different social/material relations. For example, consumption involves relations between the consumer and producer, between the consumer and the purchaser (e.g. child and parent), and with other consumers, whether they are joint consumers, third parties affected by externalities, others who might also have claims on the same resources (including distant others and future generations), or competitors for status and recognition in the struggles of the social field à la Smith, Veblen and Bourdieu. We could also add the relations with ecological systems. What is beneficial with respect to one relation (e.g. parent-child), could be highly damaging with respect to another relation (e.g. rich consumer-poor consumer). In addition, the nature and meanings of consumption vary enormously according to what is being 'consumed', be it goods, labour services, the arts, etc. We should therefore expect to find interconnected goods and bads, indeed dilemmas. If we ignore the multiple relations in which economic actions are typically set, we may make recommendations which appear to resolve problems of a single relationship but which would cause greater damage elsewhere.

### **4. Economic and other forms of valuation**

How should we understand the differences and relations between economic and other forms of value and valuation (or rationality), in particular those of lay ethics?

There are inevitable (transhistorical) tensions between ethical and other norms on the one hand and economic pressures on the other since what is good may be scarce and there are

always opportunity costs to any course of action: the good and the expedient or indeed the possible need not coincide. But these tensions take particular historically specific forms. Thus under capitalism, the dominant form in which economic pressures are registered is via exchange-value, rather than need or lack; more broadly they take the form of tensions between system and lifeworld. For example, pay is not determined primarily by judgements of what workers deserve or need but relative scarcities, though these in turn are affected by strategies of closure, educational and training policy, along with the distribution of different technologies and productivities. (Even insofar as pay is partly normatively determined according to criteria other than scarcity, it tends to be in response to status and identity as well as ideas of what is fair.) These combinations of, and tensions between, the normative or proper and the possible and expedient are typical of economic life. In capitalism there are tendencies to reduce worth to price, use-value to exchange-value, internal goods to external goods, and for economic power based on exchange-value to hold sway in matters that are arguably properly the subject of other forms of valuation. Most perniciously, there are tendencies for the evaluation (moral and otherwise) of people and their activities to be based on wealth and earning power, as implied in the question, 'what are you worth?' As Polanyi argued, using the concept of 'double movement', these tendencies of capitalism encourage the development of measures to protect workers' security and social cohesion in response (Polanyi, 1944).

While exchange-value is purely quantitative and abstract, use-valuation is qualitative and concrete - valuing goods and services not merely as good or bad but using a rich vocabulary of adjectives and adverbs relevant to the particular qualities they possess (Anderson, 1993). Different use-values are likely to be incommensurable, and in effect, exchange value commensurates the incommensurable. In so doing exchange-value effaces not only the social relations of production, as Marx noted in his critique of commodity fetishism, but all the possible ethical questions regarding the production of commodities. While this might be regarded as problematic, the avoidance of such questions is also an aspect of the information-saving properties of markets, from which we all benefit. As defenders of capitalism argue, one of its strengths is that we don't need to know, let alone assess, how the things we buy were produced, in order for markets to work. Getting access to the information needed for assessing moral economic issues is expensive, perhaps uneconomic, and often politically sensitive.

Arguments about the appropriate conditions for exchange-valuation are important in debates on the limits to commodification. According to a Kantian distinction, if everything can and should be regarded as exchangeable for anything else, nothing can have dignity. One of the reasons we object to certain things being priced, is that we regard them as having no equivalent for which they can be exchanged. Does the exchange of goods for money taint actors' judgements about the use-value and meaning of goods, or can the two kinds of valuation coexist innocuously? (Radin, 1996). Likewise, for 'sign-value', 'sentimental value', or attachments to objects: is their existence incompatible with commodification?

There are also differences and tensions between exchange-value and the internal standards or values of practices. Practices, such as medicine, education, or sport have their own internal standards of what constitutes good practice or excellence. In any kind of economy, practices would be constrained by scarcity, by competing needs and wants, but under capitalism, particularly under a neoliberal regime, their internal standards are increasingly compromised, corrupted and overridden (or occasionally reinforced?) by pressures to use exchange-value measures and forms of regulation within their organisations. Likewise relationships such as those of friendship or parenting have their own internal goods which may be similarly affected.

Markets and exchange-valuation are indifferent to argument or reason: they are only responsive to ability to pay, and those with money can spend it without needing to justify

their actions. All decisions are treated as matters of private, subjective preference. In what kinds of case is this a problem? Mainstream economics reduces valuation to a matter of preference, and the economic problem to one of economizing, excluding questions of ends. It ignores the question of whether economic decisions are properly seen as matters of individual choice, expertise and authority or public deliberation (O'Neill, 1994; 1997). It also ignores the normative implications of unequal incomes and therefore unequal ability to realise goals, and unequal life-chances.

While it is argued by neo-Aristotelians that practical reason can and should be used to compare and evaluate incommensurable things (O'Neill, 1994; 1997), attempting to do so in order to plan a whole advanced economy is for the most part likely to be impossible, owing to the deep division of labour and knowledge, and the impossibility of centralising the necessary information and knowledge (Hayek's 'epistemological' economic problem –see below). Market coordination may be the only alternative at this level.

Lay ethical valuation is itself complex and plural, using a variety of rationales and criteria. Although the sociological correlates of lay values may be interesting it is important not to reduce values to these and ignore their rationales; actors – like sociologists themselves - do things not simply because of their particular social position but because they accept certain justifications or rationales which have a normative force in their own right and not simply by virtue of their sociological correlates. They have not only preferences but commitments. They need to be taken seriously, since they are likely both to reflect assessments of well-being or the good, and to encourage behaviour which has implications for well-being. We are evaluative beings because we are capable of flourishing and suffering and need to try to distinguish between them; if we were not so constituted, nothing would matter. As Smith's Theory of Moral Sentiments argued, lay ethical valuation and behaviour involve a complex array of moral sentiments, and virtues and vices, each of which relate to qualitatively different kinds of behaviour and situations that cannot be understood via a reductive egoism v altruism formula or through subjectivism, emotivism or conventionalism. Contrary to much of the economics and economics-influenced political theory, we cannot assume that actors are normally primarily self-interested: their motivations are an empirical question.

How are different activities valued ethically and economically? E.g. interesting/boring/safe/hazardous work? Payment for work implies 'compensation' for costs or sacrifices, yet work (in differing proportions, according to type) may be both a cost and a benefit. In evaluating the use-value of work we use a variety of criteria appropriate to the range of qualities present.

Any economy in which money-making is the dominant motor is liable to create imbalances among and inappropriate uses of different forms of valuation. According to Walzer, to prevent the dominance of markets and money, different spheres of judgement need to be clearly separated. Radin argues that in many cases, commodification is incomplete, and different forms of valuation can coexist with commodification, without necessarily being corrupted.

We also need to consider how valuations of different economic activities are sociologically differentiated – i.e. according to who does them? Note that commodification is not the only source of distortions of valuation: for example, patriarchy involves a 'misrecognition' of activities and skills according to gender.

### **5. Economics and inequality: Inequalities and the role of economic activity (broadly conceived) in their reproduction**

Although inequality is a longstanding concern of political economy, a moral economic approach emphasizes the normative issues which make inequality a matter of concern. What kinds of good (in a broad sense) matter in terms of (in)equality and well-being? Actors have

multiple needs and interests, and multiple goods are required for them to flourish. How do inequalities in the distribution and contribution of different goods (and different kinds of Bourdieuan capital) make a difference to well-being? By reference to which life-styles are inequalities and attempts to reduce them considered: e.g. male breadwinner model, female care-give model, etc? (This is an example of the inescapability of questions of the good.) How are issues of inequality and difference dealt with? It might consider the legitimations/rationales for who gets what, and who contributes what. It need not, as most discussion of distribution does, take existing property relations as given and legitimate, but could examine their legitimacy.

The different sources of inequalities (class, gender, status, 'race', etc) are relevant to how they are evaluated. Some mechanisms producing inequalities are 'identity-sensitive', i.e. responsive to (and hence constitutive of) differences, e.g. gender, 'race', ethnicity, age, etc., while others are 'identity-indifferent', e.g. unintended consequences of consumer shifts in spending, leading to redundancies and bankruptcy for some, windfall gains for others. These two types of mechanism typically-interact: e.g. those occupying positions most vulnerable to redundancies resulting from shifts in sales may have been selected through processes of discrimination e.g. reservation of most insecure jobs for ethnic minorities. Stigmatised groups have least chance to gain the educational, social and cultural capital that would give them access to secure jobs. Particular economic roles may be gendered in their very definition and design. Jobs may be designed to fit particular gender or other identities. Although I would argue that specifically capitalist mechanisms producing inequalities are only contingently responsive to identity, it would be wrong to assume that identity-sensitive mechanisms that produce inequalities are necessarily extra-economic or 'merely cultural', for of course, the economic is not exhausted by capitalist economic mechanisms; e.g. although care work is a precondition of any economy, the assumption that care-work is women's work is not essential to the functioning of capitalism, but it is a standard feature of how gender is defined and is part of patriarchal economy.

Moral economy should take account of the politics of recognition as well as distribution and note how they are intimately associated: appeals for equal economic distribution must ultimately be defended in relation to recognition of the equal worth of individuals; conversely, equal recognition is partly confirmed (contradicted) through equal (unequal) distribution.

#### **6. The moral texture of economic relations:**

Moral economy cannot be assessed purely by reference to quantitative measures such as income, wealth, hours worked, cost of living, etc. Although these are very important the qualitative nature of social relations of production, distribution, exchange and consumption matters too, and looms large in actors' assessments of their economic circumstances and resulting decisions; e.g. whether work allows workers' dignity to be respected and provides fulfilment, autonomy and sociability, or whether, for instance, service labour entails servility. In what respects are actors engaged in economic relationships under (socially-produced) duress? Examination of this qualitative dimension is particularly notable within feminist literature (e.g. Tronto, 2000; Ehrenreich and Hochschild, 2003, Kabeer, 2004).

The meanings that economic relations and responsibilities have for actors affect how they believe their work should be done and acknowledged; for example, it is common for people to believe that the provision of certain goods and services by family members should not be paid for, as in ethical terms, this would devalue them. The separation of economic activities from other activities is not natural but a form of organisation designed to restrict actors to purely economic functions for lengthy periods of time. However, the pressure for individuals to meet other needs as social beings (especially the need for recognition and to attend to other relationships and matters, many of which are of moral significance) invariably means that to some degree the attempted purification of economic activities fails and actors other concerns

‘spill over’ such constraints. The ways in which this happens affects the moral texture of employment.

Ethical theories (e.g. the ethic of care, Smithian theory, theories of recognition) can help illuminate this moral texture. To bracket out the moral texture of economic life as merely of incidental sociological interest, as if the only standard of evaluation of economic activity was instrumental in relation to outputs (typically in the form of products and payments) is to marginalise matters of great importance for well-being.

### **7. Economic responsibilities**

Economic dependence on others is a universal feature of social life, deriving from the fact that for significant periods of their lives, people are too young, too old or too infirm to care for themselves. Social reproduction therefore implies the existence of economic responsibilities for others. How these are defined and discharged and by whom is a moral economic issue. (Whose keeper are we? For whom do we work?) The distribution of economic responsibilities has conventionally been strongly gendered. The welfare state has bureaucratised the definition, discharge and distribution of many economic responsibilities, where previously they depended on the lottery of individuals’ attachments to others.

Actors tend to have differentiated imagined moral economic communities, implying acknowledgement of different responsibilities for different others (including distant and future others), and according to different circumstances. In informal economic life, the acceptance, refusal or negotiation of such responsibilities tends to be guided by multiple criteria (Finch and Mason, 1993). What tends to shape and change these conceptions of responsibilities and moral economic communities? As divisions of labour deepen and embrace more of the world, economic interdependencies tend to correspond less and less to lay ideas of attachments and responsibilities. Although existing lay moral sentiments are important influences on economic behaviour, they are generally deficient as regards responsibilities towards distant others and future generations.

While the deepening of divisions of labour increases the numbers of people who inadvertently become means to our ends, the extent of responsibilities to others also increases; hence there is a ‘moral division of labour’ (Williams, 2004). Whereas in pre-modern times, division of labour implied relatively fixed duties defined within broadly shared normative frameworks, a modern division of labour implies responsibilities – which have to be flexibly defined in order to be responsive to continual change and a plurality of normative demands (Williams, 2004).

### **8. Catallaxy and œconomy**

In its original Greek sense, economy (œconomy) referred to the productive and consumption activities of households, which in their nature had relatively coherent substantive goals. But with the development of an advanced division of labour in modern societies, what we now term the economy (and Hayek terms a ‘catallaxy’) is a vast congeries of different agencies, each pursuing their own goals, using localised, specialised and partly tacit knowledge.

The ‘epistemological’ economic problem (named by Hayek but anticipated by Smith) deriving from the dispersed and uncentralisable character of economic knowledge in a catallaxy, makes comprehensive ex ante normative control of the modern economy infeasible; to the extent that it is partially feasible, some may judge such control undesirable because illiberal. Thus judgements about economic regulation in relation to conceptions of the good become more difficult both normatively and logistically, the more complex the economy. The disembedding of the economic is partly a matter of the extent to which the deepening of the social division of labour renders comprehensive centralised control infeasible.

Economies might be associated with practices, which have their own standards of excellence, but insofar as they need scarce resources the question of how such resource are allocated



among particular practices remains. Associations involving practices may be conducive to flourishing but they don't solve the catallactic/epistemological economic problem. Catallaxy is conducive to value pluralism, and hence has implications for conceptions of the good.

### **9. Cultural variations in moral economies**

E.g. in norms regarding the nature and distribution of economic responsibilities for and toward others, and as regards the meanings and valuation of goods, practices, ways of life. The latter are economically-conditioned (practices have to be resourced) and economically-conditioning, affecting attitudes to work and consumption, distribution etc. There are obvious connections to the varieties of capitalism and welfare regimes literatures here, and also to anthropology and 'cultural political economy'.

### **10. System integration and moral economy**

Although, by definition, system integration is not about relationships between individuals but processes that operate 'behind their backs', it is still relevant for moral economy, firstly, because the overall societal context (particularly the ecological dominance of capitalist rationality) also fosters and impedes particular (im)moral sentiments and behaviours, secondly because it is based on normalisations of relationships (e.g. property relations) which in principle, if no longer in practice, are open to normative contestation, and thirdly because it impacts on well-being and therefore has ethical implications which are open to evaluation.

Regulation (in the sense of regularising) of economic relations takes place not only at the micro-level through specific norms applying to particular practices but more broadly through the relations between institutions, and between spheres of life, e.g. between the domestic and the public, between commodified and uncommodified relations (e.g. between private market childcare and informal childcare). These relations need not involve direct interaction but may merely be ones of unintended ecological competition; for example, employers' demands upon workers do not intend to compete with family obligations for workers' time, but they nevertheless do. They also depend on market and state allocation of resources, particularly money, among different institutions, which in turn are sensitive to differences in productivity of different practices. Actors' have to coordinate their participation in different spheres, each of which has its own dynamic, its own demands and pressures, and the largely unintended/unplanned relations between them are a crucial influence upon their well-being.

### **11. Approaches to moral economy**

Generally, the study of moral economy is part of a project which tries to study social phenomena in a way which is sensitive to the normative distinctions used in everyday life, and to their seriousness, which generally relates to their implications for well-being. Though the positive-normative distinction breaks down when we deal with matters like flourishing and suffering and needs, even an avowedly positive approach fails if it ignores lay normativity. In attempting to expel normative discourse or 'values' from social science, there is a danger that social scientists become so unaccustomed to normative thought, that their positive investigations are oblivious to lay normativity, which of course is very much part of social science's object of study. To rectify this situation, it is helpful to draw upon normative concepts and distinctions from ethical theory, since these often formalise and articulate lay intuitions, as well as helping us evaluate them; e.g. moral philosophical concepts of the good life, distinctions between internal and external goods (MacIntyre), literature on the ethic of care, on responsibilities, different forms of value, etc.

However, to be useful ethical theory must

(1) have an adequate conception of what kind of beings humans (and any other objects of moral concern) are, if it is not to produce a theory to which people are unable to relate. It needs to recognize both our capacity for autonomy and our vulnerability and social, psychological and economic dependence on others, and indeed the interdependence of autonomy and dependence; e.g. an ethical theory that assumes that humans are always able-

bodied, self-reliant adults (able to enter into contracts, etc), never children or elderly or infirm and dependent is bound to be flawed. It needs to recognize that we are needy beings characterized by lack and desire, the need for recognition, etc.

(2) It should not assume egoism as a natural or dominant tendency or (again) reduce motivation to a matter of egoism versus altruism. (Many things are valued for their own sake; many virtues are social, involving neither egoism nor altruism). Generally, motivations can be expected to be mixed and complex.

(3) It needs to have some connection to moral sentiments or emotions, regarded as (often unarticulated) evaluative judgements on matters affecting or perceived to be capable of affecting the well-being of actors and other objects of concern (e.g. moral-political causes, commitments), indeed any positive or normative theory of ethics should connect to these (Nussbaum, 2001), though it may also go beyond them.

(4) It needs to recognize the influence of institutional contexts and avoid the common philosophical tendency to individualise all explanation of action, so that only individuals, apparently free to make any moral decisions, and uninfluenced by specific kinds of moral education, are responsible for what happens. Particular ways of doing things, including evaluating and relating to others, tend to be institutionalized. Particular kinds of institutional goal may be system imperatives; e.g. the need of capitalist businesses to be profitable, regardless of the motivations of actors.

(5) It also needs sensitivity to history and culture without reducing people wholly to their products.

Classical political economy was of course part of moral philosophy, and positive and normative comments were often intermixed in its discussions of economic life. Earlier still – much earlier - Aristotle provided reflections of lasting value on what are in effect moral economic issues (e.g. regarding chrematistics and pleonaxia). A Smithian approach is of obvious interest to moral economy, and meets at least 1-4 of the above. Three of its virtues of are: (i) morality is related to moral sentiments evoked in ordinary social interaction; (ii) its approach to economic motivation and action is embedded in this broader view of lay morality; (iii) particular (im)moral sentiments are shown to be encouraged or discouraged by particular forms of social organization. One could accept these points and still disagree with many of the substantive claims Smith made about economics. In a sense, the project of moral economy is to revive, update and develop that of classical political economy.

A more recent development in assessing the implications of economic institutions and processes for well-being is provided by the capabilities approach, as developed by Sen (1992; 1999) and Nussbaum (2000). Economic inequalities in terms of income and wealth are at best only a rough guide to inequalities in terms of well-being, for they are only means to ends. The approach specifies an evaluative space covering a range of beings and doings (‘functionings’) which individuals need to have access to, if they are to flourish (e.g. health, security, being using and developing faculties, liberty of conscience, sociability, the social bases of respect, opportunities to participate in political choices, etc). It is argued that economic change and policies need to be evaluated in such a framework. Although this approach was designed for studies of developing countries, there is no reason why it could not and should not be applied to the analysis of the effects of economic organisation in developed countries (Robeyns, 2003).

Much work in feminist economics, economic sociology, cultural political economy and environmental ethics complements and overlaps with moral economy. Feminist economics tends to examine economic matters in relation to well-being, taking the moral texture, meanings and motivations involved seriously. Thus ‘gender mainstreaming’ seeks to make gender visible as a contingent basis of social organisation and to challenge its validity in assessing the normative assumptions and implications of economic policies (Walby, 2004). Economic sociology and ‘cultural political economy’ also sometimes address these, though as

already noted, they often under analyse the rationales of the norms and conventions structuring economic activities (Sayer, 2001). Environmental ethics is of interest in relation to moral economy, both in dealing with a substantively complementary range of issues, and also in providing interesting assessments of economic and other forms of valuation of resources or nature.

The study of moral economy should be post-disciplinary – ignoring the constructed boundaries between economics, sociology, philosophy and psychology, refusing sociological or economic imperialism. (The psychological dimension is needed because lay moral concern presupposes a susceptibility to such concern, which is not possessed by other objects, and hence has to be explained; for example, the psychological need for recognition, sociality, however that may be culturally mediated and shaped.) Sociology has too often assumed ‘alienated’ conceptions of morality as conventions and rules backed by sanctions, which tend to encourage social order. In so doing it has tended to ignore the connections between moral dispositions, sentiments and conventions and well-being, and how the former can sometimes be a source of resistance rather than compliance and order.

Finally, many of the headings and concerns outlined above differ from and cut across rather than reproduce the standard objects and concerns of political economy. This is deliberate. In effect the study of moral economy is an extended thought experiment in which we try to think about economic life in relation to human well-being, rather than simply in the categories most used in economic practice.

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