

Goudzwaard, B & De Lange, H 1995 — Beyond Poverty and Affluence: Toward an Economy of Care

Geneva Switzerland: World Council of Churches Publications. 165 pages. US \$ 15.00

Reviewer: Dr Kobus Labuschagne

In this book the authors make an attempt to demonstrate that on local, national and international level our economy has reached a point where fundamental renewal is required. They argue that in both theory and practice the world economy is incapable of solving the major and distressing economic dilemmas of our time — poverty (which is spreading in many areas of the world), ominous forms of pollution and environmental degeneration, and ongoing losses in both quantity and quality of work. A twelve-step program for economic recovery is proposed in the final chapter, and this demonstrates how alternative reflection on the economy can take concrete shape. These proposals were drafted in the hope that colleagues in economics as well as interested persons and influential groups in society would respond with constructive criticism so that a public consensus would emerge — a consensus which would care much more about job creation, the poor, the environment, the interests of future generations, and with eyes and ears wide open to especially the needs of the developing countries.

The authors realise that the question remains whether people actually desire a different economic practice and whether they are susceptible to change which involves an economy of 'precare', an economy that places care needs first on its list of priorities. Our science of economics has up to now been formulated in terms of 'progress measured in money', and not in the first place in terms of the necessity for a 'caring administration'. This means that when the authors seek to redress poverty, environmental degeneration and unemployment through a 'caring administration', they will be confronted by nothing less than the powerful influence of a societal order which calculates everything in terms of money (which puts a monetary value on everything), economic growth (which is supposed to create wealth for every-

one), and the free market (governed only by the laws of competition). The book is none the less a challenge to all segments of society to join in creating a new public awareness that change is essential, a culture of 'enough', and a willingness that gives priority to the needs of all people and to the survival of our environment.

A lot of valuable and relevant statistical information is offered, quoting from reliable and authoritative sources. This reveals many paradoxes and impasses:

- * Societies of enormous wealth also experience growing scarcities — including increasing government deficits.
- * Poverty is rising sharply in the midst of wealthy societies.
- * In spite of growing prosperity, opportunities for demonstrating care for people in need, both financially and personally, have decreased.
- * In spite of a growing economy, unemployment rises.
- * The rising standard of living goes hand in hand with the lowering of the level of health in our societies.
- * Despite much higher incomes and substantially more wealth, we now have far less time for non-work activities.
- * The World Bank estimates that, despite the growing wealth in the First World, the total number of poor people in the developing countries has increased without any interruption between 1950 and the present day. Growing poverty is linked to an increasing and shocking burden of debt carried by countries in the Third World.

Developing countries experience declining incomes despite growth in production. (According to the United Nations Development Program's Human Development Report 1992: 'In 1960 the richest 20% of the world's population had incomes thirty times greater than the poorest 20%. By 1990, the richest 20% were getting sixty times more', p 10).

- * The facts reveal that our current economic system is incapable of safeguarding the ecological stability that humanity requires.
- * Unemployment appears to have become a structural feature of industrialized economies.

The book can be highly recommended for its analysis of our economic theory and practice and related problems in society, although we might not agree with the solutions offered. What we miss, for instance, is a proper account of the productivity levels in the Third World and how this could be improved to compete with the First World, and also the very discouraging situation of population growth

Boekbesprekings / Book Reviews

in the Third World. The 'twelve-step program for economic recovery' is aimed at a redistribution of wealth, and as such it might be judged, at least in some cases, as moving in the direction of Marx's: 'From each according to his abilities, to each according to his needs'. The problem with this approach is that there are masses of people with only needs and no productivity.
