

Moral economy
Bonds with Ethnicity and Nationalism
Relationship with Political Economy

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INTRODUCTION

All of us know what human beings need for annual living according to Maslow hierarchy. But there is one more important part of our lives what is called morality. That becomes more crucial when we are speaking about generations interpersonal relationships.

In the modern world, we could face that the morality gets questioned on permanent basis not just in a specific area but almost everywhere.

Currently, there are some people categories establish that something is no longer important and it is useless & non-profitable. Therefore, we'd like to say some societies are becoming more mercantile, too much rationally and soulless.

Unfortunately, it is referred to morality as well. We could face how history science and its books are being rewritten now and again for some politicians greed, historical heritage (e.g. monuments) is being ruined due to political/war conflicts which are directly bonded with bank accounts only, unity lack within a country and between countries because of immaturity with obsession to dominate and immorality which is pretended like new grace, make human values disappeared smoothly in the end.

That's why we'd like to consider such burning topic as morality. Our aim is to clarify the place and significance of morality for us in terms of what makes us people.

In the given topic we are going to describe morality and economics which together organize common definition as moral economy, how it is connected to nationalism with ethnicity and its extent, and finally, we are comparing our theme with political economy, namely, the classic unquestionable Scottish scientists.

MORAL ECONOMY

Morals – the sum of patterns, norms and rules of behavior that exist in any given society (D. Raith, 2016).

“Moral statistics” was developed in the early 19th century by Belgian astronomer, mathematician and sociologist Adolphe Quételet. It has been called a progenitor of sociology as it was researched about such things as immorality, deviant and criminal behavior connected with society variables.

“Behaving morally” mean to do it according to certain some norms, rules which are being accepted by a social group where moral standards are pretty serious and important as they are being considered as human values for participants of such group.

If not so, we are dealing with value judgement. However, we have to say what is moral for us it could be immoral for others what creates the moral conflict between some groups. Thus, this issue seems not so objective in terms of truth as we could realize.

Also, how to distinguish immorality and amorality? According to acts done, immorality breaks some moral standards, but amorality is totally rejected as it demolishes everything that is valuable for a people category.

Then, what is economic behavior? Well, unfortunately, it is considered as an amoral because it is ruled by economics laws that do not require morality at all.

Moral economy – the sum total of our beliefs about what's morally good and right, bad and unjust but in an economy. (E.P. Thompson, F. Osella, 1991)

English historian E. P. Thompson developed it when he studied the conflict between newly installed market policies and moral intuitions, as it broke out in 19th century “hunger riots”. Those outrages were not just about empty stomachs, but about moral intuitions on economic affairs.

Therefore, moral outrage has two functions as an indicator. First, that shows there is a problem within economic/political framework and secondly, it pushes for change immediately.

So, the basic expression of this moral economy is an outrage about injustice, illegitimate gain or exploitation.

There is another definition for moral economy which says that culture governs and legitimize allocation of resources such as wealth, power, and honor or status in a society. In such case, definitely, we could establish that is economy as we are dealing with unequal distribution of scarce resources which is typical variable during the whole human history.

Also within moral economy, we could face Inequity aversion, or the Preference for fairness. (X. Gao, H. Yu, 2018). Individuals can be averse to inequity both when they receive more (i.e., advantageous inequity) and when they receive less (i.e., disadvantageous inequity) than others.

Thanks to developed example, named ‘ultimatum game,’ it shows people’s distaste for unfair outcomes (E. Fehr, & K. M. Schmidt, 1999). The game starts with the ‘proposer’ suggestion to split specific pool of money (e.g. \$10 pull), and the ‘responder’ can either accept the split, allowing each player to keep his or her share of the pool, or veto the split, in which case, neither player receives any money.

According to rational behavior, the responder should always choose to accept the split, even when unequal, since any money is better than none. But in fact, responder softens choose to reject unfair offers, even if it would make them sustain losses.

The result is the following – the money is going to be split fairly – 50/50 proportion. (E. Tricomi, 2021)

MORAL ECONOMY AND NATIONALISM/ETHNICITY OVER TIME

What the connections between moral economy, ethnicity, and nationalism? As we said before, looking at some acute social conflict as a result we could have a new picture of society accompanied by new sources of power and wealth which undermined traditional, paternalistic moral economies and introduced new social cleavages.

Growth of industrial capitalism and market spread to the European colonies, particularly in North America, where the crisis of moral economy was harsh with the conquered and dominated indigenous peoples, and later this process embraced the social integration of waves of European immigrants fleeing the political and social turmoil due to political and economic issues.

Also, European imperialism spread both the development of market and state and the disruption of traditional moral economies through large and culturally diverse premodern states in Asia (e.g. India, China and numerous smaller-scale societies in Africa) [B. Berman, André Laliberté, & S. J. Larin, 2017]

Moral economy with nationalism and ethnicity as a scientific analysis is pretty new as the first fundamental work was written relatively new (W. Stavig, 1988).

He discovered that rebellion in Peru in 1780 was caused by Native moral economy which was explained by Native community and its relations with Spanish Empire as a colonial state.

During two centuries of colonial period of time, the essential components of the moral economy were uncovered in latter relations based on traditional Andean behavioral and conductional standards to legitimize “service and tribute to the colonial state in exchange for access to rights and resources that allowed them to maintain their way of life”.

“Crop failure, population growth or fluctuation, and increasingly restricted sense of ethnic identity” were very important issues between the community and its Curaca (Native magistrate) and influenced on local moral economy undoubtedly.

Interesting to discover outrage roots in such case. Generally, the first thing that comes to our minds that is a way of expressing to require something what is missed from rebels side. But unexpectedly here we noticed that it happened not because of demands improved but because of desperate unsuccessful attempts to hold the current system and hierarchy community framework which was rapidly falling down.

That was broke Moral Economy existed. The intention was one but the reason was absolute different – misunderstanding and conflict among some groups within the community.

If to consider other parts of the world and the followers of Stavig in terms of this chapter, generally, in precolonial Africa, as in pre-industrial Europe, “ethnicities used to co-exist in a non-competitive manner in decentralized economies where state power was either non-existent or undemanding ... , each with their own ‘moral economy’ ... (B. Berman, André Laliberté, & S. J. Larin, 2017)

Ethnicities exchange specific goods between each other until European imperialism mentioned came to their houses.

And what about now? Practically, narratives are the same according to the phrase “as old as time” as this tendency of permanent market development is getting more solid.

Because underlying much of contemporary ethnic politics at local, national, and global levels are the confrontations over moral economy that emerge as communities are absorbed into market economies and national states in the contemporary era of globalization that has produced both unprecedented movements of peoples and increasingly intense hegemonic struggles in which ethnicity and class are increasingly intertwined.

As recently mostly communities were built on patriarchal narratives, processes mentioned above came to new numerous different values interpretations which led to political conflicts.

First of all, today we have origin and belonging issues, who is considered as a community member and who is not. Subsequently, it is visible how many people could own community resources and who is its representative body – leader – heading to community determined direction.

After, therefore undoubtedly woman status is updated and male can not hold absolute control under them within a community anymore as traditional moral economy is already undermined.

A major shift in the global context has been the aggressively asserted hegemony of a neoliberal moral economy that displaced the Keynesian social democratic moral economy dominant in the era of development into the 1980s.

Also, neoliberal moral economy renewed the threat to indigenous moral economies already struggling to deal with the development of the state and market.

Neoliberal ideology was not just an imposition of market fundamentalism and hostile to any redistributive state intervention. Why? Because according to its definition neo-liberalism establish individualism with its competition and also undermine collectivism and everything it relates with.

This kind of political project of institutional transformation even threat for specific types of capitalism as well which is surprisingly for us to find out. These capitalism types were resulted since the end of the Second World War and have the following social-democratic forms:

- 1) redistributive social protection
- 2) workers' collective rights or legal protection of employment
- 3) socioeconomic status according to class status and earnings

Neoliberalism forced every country, no matter whether it is developed or not, to implement adjustment set of programs to remove its own internal borders and restrictions to let more

competitive foreign capital flow get inside, which has destroyable impact on these countries economics without doubt. (N. Klein, 2007)

What do we have in the end? Neoliberal ideology created unprecedented increases in inequality in such countries as United States of America, Brazil, the Russian Federation, India and in Africa, what James Ferguson (2007) called some of the steepest inequalities in human history.

The result was disparities of ethnicity and class in which hegemonic struggles exacerbated the existing conflicts within and between ethnic communities (Berman, 2017).

MORAL ECONOMY IN RELATIONSHIP WITH POLITICAL ECONOMY

We'd like to show alternative ways to view Moral Economy relative to political economy.

As we know, in contemporary Western society, political economy reigns supreme in matters pertaining to political aspects of economics and state or international level macroeconomic issues. (E. D. Mauritz, & P. B. Thompson, 2014).

Thus, political economy is thus concerned with how countries are managed, taking into account both political and economic factors.

Adam Smith is one of the best-known contributors to the ideas in political economy. Definitely, he is famous for *"An Inquiry into the Nature and Causes of the Wealth of Nations"*, where he argued for free trade between nations which was responsive to consumer demand.

But also this Scottish scientist is well-known as a moral philosopher. So he both oriented as in political economy as in moral one.

Moreover, he looked at Moral economy as a part of Political one. Smith was convinced that market economic system would be socially and ethically superior to the dominant mercantilism of his day.

He expressed his own specific concerns in terms of capitalism which are considered as moral ones:

- 1) impoverishing the spirit of the workers and the work ethic more generally,
- 2) expanding of the idle rich,
- 3) inducing government to foster monopolies including by system of privileges,
- 4) separating ownership

David Hume, the friend of Adam Smith, is also a follower of Moral philosophy and discovered even more than his countryman.

He put attention on such things as sentiments, particularly benevolence. It was explained that people sacrifice themselves on behalf of their neighbor without looking for the benefit. He

considers sentiments as a tool for the mankind benefits to reach a goal — improve the happiness and reduce the misery of mankind (D. Hume, 1751).

CONCLUSION

In the end, we could say that we discovered such definitions as morals and moral economy, what is the difference between them and what makes them unite at the same time.

Further, we put attention on the tendency of moral economy through nationalism and ethnicity not just nowadays but it started before and what is the prediction for the short-term period of time, especially we believe that giant inequity will not disappear soon for sure.

The last thing of our seminar paper is to show that mercantilism and liberalism are not everything and there is opposite side according to them such as feelings and sentiments which were proved by Hume.

Summing up, we would like to highlight that, on the one hand, there is always a conflict between something new and old; economic behavior as an amoral engine based on unlimited gain and inequity, liberalism and individualism will take place as well.

But there will be also always something which is on another side to make the balance such as good intentions as a light side of human nature, morality, sacrificing, traditionalism and collectivism.

They will continue to go altogether over centuries in different proportions and create common ground for our lives.

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