Chapter 2

WHY HUMAN RIGHTS HAVE NOT BEEN ABLE TO ERADICATE POVERTY?

Liberalism and the Rhetoric of Liberty

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Abstract We live under the aegis of the ideals of equality and liberty in a world where inequality and

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oppression prevail everywhere. The liberal perspectives that constitute the roots of human rights discourse and contemporary legal theories present themselves as unbiased, technical and rational. The fundamental "truth" of those perspectives is that all men are by nature free and equal. Therefore, liberty and equality are presented at the same time as the premises and the ultimate finality (la raison d'être) of the legal and political theories and their correspondent practices. Although liberal democracies have been established on the basis of human rights discourse, they have been unable, in the last two centuries, to promote effectively equality and liberty. They failed to place their citizens under equivalent conditions of participation in public decisionmaking and of equal fruition of wealth, State services and legal protections. Without material equality, liberal democracies keep liberty as a privilege and, as such, its meaning is associated with a disproportional grant of power to some citizens to take place in political decisions, reducing the underprivileged to a status of permanent political and economic servitude. The promises of liberalism concerning liberty have failed. Even in developed democracies, one faces staggering poverty, exclusion and subjugation. An important portion of the World's population lives in such precarious conditions that political emancipation and access to legal protection mechanisms are beyond their possibilities. Besides, the increasing wealth concentration worldwide places some aroups above the normative forces of States or in a position to influence disproportionately the law making process and court decisions according to theirs interests. Obscured by ideologies and interests that have cynically presented themselves as impartial and rational, human rights discourse, supposedly committed to liberty, hasn't been able to eradicate poverty and social inequality, and consequently it has been unable to promote liberty itself. Thus, this paper proposes a critical debate on the

alleged scientific or technical nature of legal theories, in order to reveal that they shelter an ideology that is incompatible with their own declared principles and finalities. The question, after all, is if under their liberal foundations, human rights and legal theories are able to emancipate men and women from poverty and political subjection.

Introduction

It is undeniable that the Declarations of Rights of the 18th century, namely the American and the French, marked the beginning of a new era for political power. Despite the fact that both documents have been produced in different social contexts, they have established a common source of inspiration for other nations and a base over which the fundamental human rights of our time and the constitutional charts of most contemporary States were produced. Liberty and equality were declared at that point sacred principles of humankind and of any legitimate government. Nevertheless, more than two centuries afterwards, oppression, inequality and poverty still prevail everywhere.

What went wrong with the revolutions that have promised to free all man from despotism and injustice? Why human rights discourse hasn't been able to make liberty and equality a reality? Is it a matter of a biased and cynical use of it for those in power? Or is it the contradictions on the theoretical and ideological content of the discourse itself that make it unable to promote material equality and liberty for all? Finally, why fighting poverty, as an instrument to make human rights viable and coherent, hasn't been the center of the debates and political actions supposedly committed with liberty and equality?

In order to answer those questions, we propose a critical examination of human rights discourse, from its Enlightenment sources to its predominant Liberal perspectives, confronting it with Marx's critique and with the astonishing scenario of poverty and inequality of our time.

In order to demonstrate how little Human rights' discourses were engaged in fostering equality amongst men and, consequentially, how little they were committed with the actual achievement of individual and political liberties for all, we propose a debate on the contradictions that were present since their historical origins and first developments. Moreover, we intend to point out how the Human rights' discourses that have prevailed in our time served to reproduce theoretical perspectives throughout political and legal mechanisms, which, though always presented as rational, impartial and neutral, hid the particular interests of the dominant economic classes, leading to an unreasonable accumulation of wealth and to the perpetuation of social inequality and poverty.

2.1 Enlightenment Philosophies and Declarations of Rights: what about equality?

Despite the fact that American and French Declarations of Rights have been produced in different political contexts, they are mostly composed by a common discursive and ideological background. The Enlightenment Philosophies and Natural Rights' theories of the 17th and 18th centuries provided most of the arguments and justifications of the political order they sought to establish.

It is important to alert the reader that we are not affirming that the revolutions and struggles that have forged the present time were provoked by this mixture of new and old ideas of the Age of Enlightenment and rational Jusnaturalism. It is not the purpose of this paper to debate if what moves history are actions or ideas. It is, however, necessary to clarify that what has precipitated the revolutions and the changes in the dynamics of political power in the end of the 18th century is not necessarily what have composed the discursive contents that the Declarations of rights adopted to justify the new political order.

In the American continent, the Virginia Declaration of Rights of 1776, is the first political document to state that the source of all power is the people (Article I, Section 2) and that all men, equally free and independent by nature, have certain rights that are inherent and of which they cannot be deprived by a deal or act of will. Life, freedom, property, happiness, and safety are thus declared as fundamental rights that precede and limit the exercise of political power (Article I, Section 1).

In France, the Declaration of Rights of Man and of the Citizen of 1789 is categorical when it states that "the goal of any political association is the conservation of the natural and imprescriptible rights of man" and that "these rights are liberty, property, safety and resistance against oppression" (Art. 2°). Additionally, it declares that "men are born and remain free and equal in rights" (Art. 1°) and that law, the expression of the "general will", perceives all citizens as equals, being forbid to establish amongst them any kind of distinction that is not based on capacity, virtue or talent (Art. 6°).

If the facts that caused the American and French revolutions were distinct, it was the same ideas and the same discursive schemes that have forged, at least formally, its new political institutions and its new laws. Both of them declared in its Charter of Rights that equality was a prerogative inherent to men and, consequentially, it was the criteria used in the attribution of political power and legal protection. They have also established individual liberty as the foundation of life, and the people as the owner of public power. The Virginia Declaration is clear when it states that the magistrates (the keepers of common power) are agents and servants of the people (Article I, Section 2). The French declaration, in turn, claims the general will as the foundation of Law and that it must be composed by the collective participation of all citizens, be it personally or by representatives (Art. 6°).

It is true that the Virginia Declaration of 1776 and the French Declaration of 1789 would be eventually replaced in the United States and France, respectively, by other constitutional documents. However, not only they remained as a source of inspiration for the upcoming charters of rights, but also most contents of its texts were transposed for the new constitutional documents in North-American, France and many other countries.

The first problem we must face – and perhaps the most obvious and debated in the last two centuries – dwells in the cynical formalism that seems to constitute the rights of liberty and equality since their first proclamations. The status of man or citizen in the Declarations of rights and in the Constitutions of our time, although they are built upon an abstract and essentialist perspective of human being, they are restricted, in the actual political and legal practices, to a narrow group of people due to social and economic circumstances.

Who are indeed the men that, according to the French Declaration, are born free and equal in rights? Who are actually the "all men" equally free and independent of the Virginia Declaration? Finally, to whom are the Declarations of human rights and the political constitutions of the last centuries directed to?

As the theoretical foundations of the notion of essential equality amongst men have been exhaustively investigated, we will not present here but an extremely short synthesis, from which we are going to proceed to the critical examination of its discursive construction and of its political and legal use.

Enlightenment intellectuals, despite their differences and disagreements, were all committed with the search for a rational foundation of political power. Unlike the Christian doctrines of Natural Law, which have the will of God as the ultimate reason that shall guide laws and governments, the Natural Law of Enlightenment started to seek in the rational will of men, manifested through an imaginary or real pact, the legitimating element of political and legal order.

It represented a revolution against the dominant ideas of the previous centuries. Christian ideologists used to state the imperfections of human judgment in order to advocate the necessary dependence of men and political power on the revelation of divine laws. From the alleged rational incapacity, they would derive the moral and political inability of men and the sacred duty of submission and obedience. As the confidence on human reason is gradually recovered, the will of men reappears as the foundation of political order and their rationality, the measure for equality and liberty.

Jean-Jacques Chevalier warns us about the Enlightenment impulses:

Shaking away the subjection to prejudices, that are contrary to reason, to nature (good in itself), to earthly happiness (legitimate aspiration of all human beings on earth); making a tabula rasa of all the heritage of an absurd past, to build entirely again a reasonable society, ruled by a secular moral, allowing men to dispense God, the excuse for all fanaticism, – society that in an almost automatic manner should aim towards the indefinite progress; such were the main dogmas of this conception, as dogmatic as the one it fought. Such was the essence of what is called the spirit of the century, of the 18th century, so perfectly foreign to the one of the previous century (Chevallier 1999, 219).

Hugo Grotius (1583-1645) and Thomas Hobbes (1588-1679) are the predecessors of the Social Contract theories that dominated the political thought in the early Modernity. Nevertheless, they were still trapped in the medieval comprehension that men, being essentially evil and selfish, need to submit themselves to a political pact that constitutes an order in which their will has no place. The dependence of the divine is replaced by the dependence of the State. The alliance of complete submission to God is replaced by the submission to a pact, to an imaginary contract of will, in which the individual's will plays only a symbolic part. Personal will has no place in Grotius' Natural Law theory (Grotius 2005)³ and, in Hobbes', the will of men shall serve only as a power that is converted to a duty of renouncing. The contract is the mechanism through which, in order to obtain peace and self-preservation, mankind should renounces its own will, its rights, and its freedom.⁴

^{3.} "Grotius defends, fairly, the existence of a natural justice that the unfounded opinion of men and the customs cannot invalidate. It follows the old doctrine that, deep down, there's a moral law infused in the souls of men and oblivious to their personal will, and what it considers being a natural law is that there must be personal things and common things, the common things being of general use without anyone's pretermission. And in those things are included rivers, public places and the seas" (Ferreira da Cunha 2013, 220). "Amongst the conditions of sociability that constitute Law, GROCIUS highlights mainly one: the inviolability of pacts. If we admit being licit not fulfill pacts, society is not possible. [...] It supposes, in truth, that State, the political organization, is built based on a pact" (Del Vecchio 1972, 110-111).

^{4.} Hobbes: "And the most part of men, though they have the use of reasoning a little way, as in numbering to some degree; yet it serves them to little use in common life" (p. 36). "And because the condition of man, as hath been declared in the precedent chapter, is a condition of war of everyone against everyone; in which case every one is governed by his own reason; and there is nothing he can make use of, that may not be a help unto him, in preserving his life against his enemies; it followeth, that in such a condition, every man has a right to every thing; even to one another's body" (p. 117). To Hobbes, the first law of nature is self-preservation and search for peace (p. 117); the second law of nature is, thus, the mechanism through which peace is reached: the renouncing of a right, or freedom, and its transference for another, through a pact of will ["That a man be willing, when others are so too, as far-forth, as for peace and defence of himself he shall think it necessary, to lay down this right to all things; and be contented with so much liberty against other men, as he would allow other men against himself (...) Right is laid aside, either by simply renouncing it; or by transferring it to another" (p. 118). "The mutual transferring of right, is that which men call CONTRACT" (p. 120)] (Hobbes MDCCCXXXIX).

In John Locke's thought (1632-1704), the Social contract acquires a new signification, which announces the perspectives that would prevail as the discursive support of the Declarations of Rights of the 18th century. For the English philosopher, freedom and equality appear simultaneously as premises and purposes of the pact. In opposition to Hobbes, for whom the contract is a total renounce to the state of nature and to freedom, according to Locke, the political power constituted by the contract must submit itself to the limits of reason and the will of men.

Locke has established the theoretical (or ideological) foundations of the discourse that has been appropriated by the revolutionary bourgeoisie of the 18th century to justify the new political order they intended to establish, replacing the unlimited monarchic power and the system of privileges of the dominant aristocracy. The idea of a *right of not submitting oneself but to one's own reason and will* disrupts the prevailing theoretical justification of political and religious power, which was based on the duty of submission of men to either a supreme God or an absolute monarchy.

Locke is incisive in his affirmation that the freedom of men to act according to their own will is based on the fact that they possess reason, which is capable to instruct them on the law they must use to govern themselves and to let them know the limits of the freedom of their own will⁵. The reestablishment of the trust in the human rational capacity and, consequently, in its moral and political ability, has important consequences to the comprehension and justification of political power. The Social contract for Locke is no longer an act of renunciation or absolute

^{5.} "The freedom then of man, and liberty of acting according to his own will, is grounded on his having reason, which is able to instruct him in that law he is to govern himself by, and make him know how far he is left to the freedom of his own will" (Locke 2003, 126).

submission. It is the guarantee of freedom and equality, which inherent to the very nature of men. For him, "the obligations of the law of nature cease not in society". It stands as an eternal rule to all men and legislators, and no human law can be good or valid against it (Locke 2003, 160).

Jean-Jacques Rousseau (1712-1778), whose *Social Contract* provided a decisive theoretical support for the elaboration of the Declarations of rights and the theories of human rights, decidedly refuses the renouncing of freedom as an element of the pact for the formation of political order. According to the French philosopher, "too renounce freedom is to renounce one's humanity, one's rights as a man and equally one's duties" (Rousseau 2001, 51).⁶ Just like Locke, Rousseau does not admit any pact that establishes an absolute power. He understands that a convention that stipulates for one side an absolute authority and for the other an absolute submission is contradictory and invalid (Rousseau 2001).

Rousseau argues that the purpose of every legal system is freedom and equality. He states, in a very original way, that equality is a premise to freedom:

If we ask ourselves what is precisely the greatest good, which should be the goal of every legal system, we will reach the conclusion that it comes down to these two main objectives: freedom and equality. Freedom, because all particular dependence is also strength taken from the body of the State; equality because freedom cannot survive without it (Rousseau 2001, 91).⁷

^{6.} "Renoncer à sa liberté c'est renoncer à sa qualité d'homme, aux droits de l'humanité, même à ses devoirs."

^{7.} "Si l'on recherche en quoi consiste précisément le plus grand bien de tous, qui doit être la fin de tout système de législation, on trouvera qu'il se réduit à ces deux objets principaux, la liberté et l'égalité. La liberté, parce que toute dependence particuliere est autant de force ôtée au corps de l'État; l'égalité, parce que la liberté ne peut subsister sans elle."

It is in Rousseau's work that the object of the Social contract begins to clearly express the constitution of a political order (Civil State) that must promote freedom and equality. Concerning the latter, the pact does not destroy the equality that supposedly exists in the state of nature. Therefore, the natural equality, which consists in the rational capacity common to every human being, must be preserved. The pact transforms it into moral and legitimate equality, by equalizing, through law and convention, men who were naturally unequal in strength and intelligence.

According to Rousseau, it is the Social contract that makes men equals (Rousseau 2001). The problem is that this equalization remains only as a formal and abstract consideration. It is true that Rousseau and the Declaration of Rights after him state that men should have the same political prerogatives and that everybody should be equally submitted to the same laws. They declare that the power to make laws comes from the people and that only the people must be the author of the laws it submits itself to. They assume that law, based on an abstract and rational general will, would lean towards equality and utility (Rousseau 2001). However, the real circumstances of inequality and the complexity of interests, which define the political struggle, and the actual fruition of the right of freedom are overlooked.

Rousseau does not hesitate in stating that "the social pact establishes between citizens such an equality that they commit themselves to the same conditions, and they should all enjoy the same rights. [...] every authentic act of general will compels or favors all citizens equally" (Rousseau 2001, 72). The problem is that this perspective shrouds – which has been a permanent fact in the last two centuries – the real circumstances of inequality and subjection in which the citizens find themselves.

There is a common premise among the Enlightenment philosophers that men should shape their will according to

reason and that reason must be the foundation of law and power. Rousseau even claims that it is necessary to bind men to conform their will to reason (Rousseau 2001). And it is this abstract and devoid of content reason that will constitute the discursive foundations of the theories and declarations of Human rights. It is an abstract reason of a hypothetically equal and free man that will impose itself as the base of the liberty and equality that are formally declared, but actually denied to most real men.

Before we proceed to Marx's critique, it must be noted that the historical importance of these ideas cannot be overlooked. The theoretical construction (although disconnected to the real circumstances of life) and the formal Declarations of rights that have placed freedom and equality as the foundation of an entire political system (although not very much committed to the effective transformation of reality) have represented a hard blow to the theories of human subjection that have prevailed in Western history. Moreover, they have realigned the theoretical perspectives and the expectations towards legal and political orders in our time. The contradictions between the theoretical foundations of the Rule of Law and what it achieves in reality has stimulated, at least, a permanent critique on social inequality, exploitation and human submission.

2.2 Human Rights to the bourgeoisie: Marx's critique

"Freedom", it is useless to point out, is a very, very important slogan to any revolution, whether Socialist or Democratic. But our program declares: "Freedom is a fraud if it opposes the emancipation from labor and the oppression of Capital". And anybody who has read Marx – whoever has read even a popular release of Marx – knows that he devoted the majority of his life, his work and scientific investigations exactly to the ridicule of freedom, equality, general will and all kinds of Benthams who describe them, in order to prove that behind those expressions are the interests of the owner, the freedom of the Capital, to oppress the working masses (Lenin 1980, 25-26).

This extract from Vladimir Ilitch Lenin's (1870-1924) speech, *The deception of the people by the slogans of equality and freedom*, synthesizes Marx's critique on the ideologies of liberty and equality, or on the discursive foundation of Human rights. Liberty in a liberal State – or so that we can use a proper Marxist expression, liberty in a bourgeois State – is a fraud in the sense that it serves as a tool to the bourgeoisie (owner of the means of production) to oppress the majority of men that does not possess not even the material conditions for their own survival, what places them under a permanent dependency. In the same way, "equality is a fraud when it is in contradiction with the emancipation of Labor from the oppression of Capital" (Lenin 1980, 32).

In the *Manifesto of the Communist Party*, Karl Marx (1818-1883) and Friedrich Engels (1820-1895) draw attention to the fact that "the modern bourgeois society that has sprouted from the ruins of feudal society, has not done away with class antagonisms. It has but established new classes, new conditions of oppression, new forms of struggle in place of the old ones" (Marx 1908, 9). The bourgeoisie "has resolved personal worth into exchange value, and in place of the numberless indefeasible chartered freedoms, has set up that single, unconscionable freedom – Free Trade" (Marx 1908, 11).

According to Marx, the real foundation of men's freedom resides in his connection to society. Men are the product of society to the same extent that society is the product of their actions. It is through work that men produce the transformations in social life. In this perspective, the loss of freedom – the alienation (*Entfremdung*) – begins with the estrangement of men and the product of their activity: labor. The social division of labor and the alienation of its products promote the loss of men's own condition as conscious and autonomous authors of their creative work. Alienation places men into the condition of tools, of means (Mondolfo 1964).

Human emancipation would only be possible, according to Marx, with the suppression of the division of labor and the private ownership of the means of production. The first because it binds and condemns the individual to a unilateral, exclusive and restrict form of activity that is always the same. The second because it places men under a permanent dependency. Only then the promotion of free development and free initiative would be actually possible.

Erich Fromm (1900-1980) considers that Marx's main criticism on capitalism does not concern the injustice of wealth distribution. It is about "the perversion of labor into forced, alienated, meaningless labor, hence the transformation of man into a 'crippled monstrosity'" (Fromm, 51), deprived of the products of his work. Marx's criticism of capitalist society is directed at "its mode of production, its destruction of individuality and its enslavement of man, not by the capitalist, but the enslavement of man – worker and capitalist – by things and circumstances of their own making" (Fromm, 59).

Marx argues that it is not possible to effectively free men while they are subject to a bourgeois State guided by the interests of the capital. Since all social institutions is mediated by the State and since the State is the form of organization of the ruling class, everything in it is oppression. Personal freedom exists only under the conditions imposed by the ruling class, making it available only for its own individuals. The division of labor that is regulated by the bourgeois State creates the conditions under which fruition and labor, consumption and production, is set for different groups of individuals. Therefore, freedom to work and to dispose of the product of labor is denied for those who don't own the means of production. As the distribution of labor and its products is made unequal, the subjection of men to the division of labor is, then, an obstacle to liberty and equality.

In The German Ideology, Marx warns us that:

The transformation, through the division of labour, of personal powers (relations) into material powers, cannot be dispelled by dismissing the general idea of it from one's mind, but can only be abolished by the individuals again subjecting these material powers to themselves and abolishing the division of labour. This is not possible without the community. Only within the community has each individual the means of cultivating his gifts in all directions; hence personal freedom becomes possible only within the community. In the previous substitutes for the community, in the state, etc., personal freedom has existed only for the individuals who developed under the conditions of the ruling class, and only insofar as they were individuals of this class. The illusory community in which individuals have up till now combined always took on an independent existence in relation to them, and since it was the combination of one class over against another, it was at the same time for the oppressed class not only a completely illusory community, but a new fetter as well. In the real community the individuals obtain their freedom in and through their association (Marx; Engels 1998, 86-87).

We find in this extract of Marx and Engels' *German Ideology* the criticism towards the atomization of exploited individuals that are isolated by a classist society based on the division of labor, in opposition to the community as the place where the concretion of individual freedom is possible. Only in a scenario where the oppressed class could recognize itself as a body and organize itself politically, it would be possible to overcome the hierarchies and the divisions that deprive men of the exercise of their own particular will. Only then the concretion of personal freedom beyond the abstract formality of Law would be indeed possible. On the other hand, the ideology of the bourgeoisie, better known in our days as liberalism, denies the existence of class segmentation in society. Its political theory is not based on an analysis of reality. It is an idealism (or an anti-materialism) that is based on a theoretical projection that disregards real economic disparities as barriers to the effectiveness of the Human rights it declares formally. It takes individual freedom as an absolute principle, assuming that everyone is equal to pursue its own interests. By doing so, it mitigates the public dimension of liberty: the participation of citizens on the definition of the common affairs and on the regulation of individual freedom. It overlooks the fact that social exclusion makes liberty a privilege reserved only to those that have material conditions to pursue their interests and to regulate their own lives as well as the lives of everyone that has not the same means.

Brazilian sociologist Jessé de Souza explains that:

These two dimensions, that of the autonomous individual and that of the citizen, are intimately connected. Without individuals capable of discussing and thinking autonomously, there is no true democracy. Without social and institutional practices that stimulate and guarantee the possibility of critique and the independence of opinion and action, there are no free individuals. The problem is that it is not easy to notice the treacherous ways through which the practices of the dominant powers build the illusion of freedom and equality (Souza 2009, 42).

The formality of the discourse of freedom in a capitalist society means, according to Lenin, freedom to succumb to poverty, to the oppression of the capital. It denotes dominion of the bourgeoisie. It is the "the fraudulent dissimulation of this damned capitalist 'freedom' (the freedom to starve), behind flamboyant words about 'equality' (the equality of the starving with the well-fed, who possess bread in excess)" (Lenin 1980, 6). Despite of what the Human rights declarations state, individuals are born with different powers and obligations due to their economic conditions and to their class distinctions. In addition, their interests are not equally regulated and protected by law; they have neither the same participation nor influence on the construction of the political and legal order.

It is important to highlight that the struggle to associate political theories to socioeconomic contexts represents an attempt in comprehending Human rights and the legal phenomenon not as simple abstractions disconnected with reality.

After all, we cannot overlook the naturalization of capitalism as the necessary form of organization of the economy, without thinking about the kind of State and legal regulations it induces and, consequently, its compatibility with the achievement of Human rights. The State itself is naturalized as a supposedly rational sphere of conciliation to a point that we lose the dimension of the interests, which effectively impose themselves on its decisions. Human rights discourse is naturalized to a point that its contradictions escape not only critical thinking, but the political struggle for its permanent reconstruction and its concrete effectiveness.

2.3 Liberalism ideology: we say liberty, we mean social inequality

Liberalism constitutes or imposes itself as the prevalent ideology of Western Civilization and, as we are going to demonstrate in the next pages, it appropriates selectively and cynically the Human rights discourses. It accepts and states the fiction of reason as the foundation of human actions, and, consequently, of the State and Law. It presupposes and affirms formally the equality of men as the foundation of individual freedom.

The word liberalism has its origins on the Latin term *liber*, that means free. This freedom, along with equality and property,

are the values that define the core and guidelines of the liberal thoughts. But what is the meaning of freedom in the context of an unequal society? As equality is only formally declared and as it hides the real and precarious conditions of life of most worlds' population, what liberty this ideology actually defends?

The doctrine of liberalism has been established over the battle against the despotism of the *Ancien Régime*. The problem is that, on its fight against absolute political power, it defends and promotes the transference to the individual or to the private forces of society of an almost absolute power. It takes individual freedom as its fundamental principle, diminishing the political dimension and expanding the private dimension of social powers.

Assuming that without the intervention of public power the individuals would be able to develop freely all their potentialities, liberalism proposes a minimal State. The liberal State is, therefore, organized over the principle of a least possible structure, so it must stand passive when it comes to economic and private matters of social life. Any imposition to individuals and to economic activities would only be justified if they were meant to guarantee individual freedom. Thus the absence of state intervention in the economy and the self-regulation of markets are the basic pillars of liberalism.

The idea of Adam Smith (1723-1790) that every individual, on his private search of his own interests, would lead, as if by an invisible hand, to the welfare of all (Smith 1904)⁸ is taken

^{8.} In Smith's on words: "Every individual necessarily labours to render the annual revenue of the society as great as he can. He generally, indeed, neither intends to promote the public interest, nor knows how much he is promoting it. [...] he intends only his own gain, and he is in this, as in many other cases, led by an invisible hand to promote an end which was no part of his intention. Nor is it always the worse for the society that it was no part of it. By pursuing his own interest he frequently promotes that of the society more effectually than when he really intends to promote it" (Smith 1904, 421).

by liberals as a sacred presupposition that must guide not only the economy, but also the State. The logic is simple: the State (public power) must not interfere on the economy or on the individual initiatives (private powers); it is those spontaneous private initiatives that must be free to impose themselves in an invisible way on the State.

Ludwig Von Mises (1881-1793), economist and philosopher of the Austrian School, in his book *A critique of Interventionism*, states that:

> It may be said that the system of interventionism has become bearable through the laxity of enforcement. Even the interferences with prices are said to lose their disruptive power if the entrepreneurs can "correct" the situation with money and persuasion. Surely, it cannot be denied that it would be better without the intervention (Mises 2011, 14).

For liberals, while the "invisible" interference of money on the definition of public politics is seen as necessary, and even desirable, any intervention of the State on the regulation of private and social interests is integrally rejected. The State must only guarantee the public order and protect the private property. It should limit itself in ensuring the conditions so that each individual, on its personal autonomy, can pursue its life project. In this sense, Mises defends that the economic freedom is the basic support of individual freedom. On his book *Liberalism: in the Classical Tradition*, he argues that liberalism does not concern itself with the interior and spiritual needs of men. It regards only the protection of necessary conditions for the material development of each person:

> It is not from a disdain of spiritual goods that liberalism concerns itself exclusively with man's material well-being, but from a conviction that what is highest and deepest in man cannot be touched by any outward regulation. It seeks to produce only outer well-being because it knows that in

ner, spiritual riches cannot come to man from without, but only from within his own heart. It does not aim at creating anything but the outward preconditions for the development of the inner life (Mises 1985, 4-5).

For liberal thinkers, as for the pre-revolutionary illuminists, reality does not matter. For the liberal point of view, it does not matter that the private search of interests is limited by the real circumstances of inequality and poverty. It does not matter that the enjoyment of personal freedom is impossible for the majority of individuals. It does not matter that individual freedom, the absolute principle of liberalism, is actually a privilege reserved for few of submitting to their interests the ones that are not in conditions of pursuing their own realization.

In order to justify the fundamental contradiction of those ideas, especially the absolutism of individual freedom reserved to few, liberal thinkers have built a series of justifications for inequality, for the subjection of others and for the exploitation of human labor.

Adam Smith had a clear aristocratic view of inequalities and of the reasons why some people were to be subordinated to "superior men". For him, personal qualities (strength, beauty, wisdom, virtue etc.), age, fortune, and birth were the causes of human superiority that justified the dominion over others (Smith 1904). It is true that the liberalism of the 19th and 20th century has tried to hide the aristocratic elements of its ideology, as birth and fortune, but it has preserved the argument of personal merit to justify the domination of an economic aristocracy over political and social orders.

Liberty is defined by liberals in the biased and limited perspective of negative freedom, that is, the non-violation of rights by the absence of the State. However, the argument that claims the omission of the State as a condition to liberty overlooks the fact that, if not promoted by the State, it is unlikely that the conditions that would enable an effective enjoyment of individual freedom are to be created spontaneously. Moreover, one must consider that there is a close relation between the possibility of effective exercise of freedom by individuals and the social and economic circumstances in which they live.

Amartya Sen, on his book *Development as Freedom*, draws attention to the impact of the material circumstances of life, which alter themselves according to the positions and values of the State and society, on the effectiveness of individual freedom:

> Responsible adults must be in charge of their own wellbeing; it is for them to decide how to use their capabilities. But the capabilities that a person does actually have (and not merely theoretically enjoys) depend on the nature of social arrangements, which can be crucial for individual freedoms. And there the state and the society cannot escape responsibility (Sen 1999, 288).

The problem of liberal logic is that the fiction of equality leads to the necessity of dissimulating the concrete circumstances that cause social inequality, creating a second fiction that justifies the disconnection between what its speeches promise and what they mean to accomplish. It forges the fiction of personal merit to legitimize the inequalities and the despotism of private freedom, covering up the fact that its fruition is limited to few.

Therefore, the distribution of social wealth and the fight against poverty and social inequalities do not appear as duties of a liberal State. Pierre Rosanvallon draws the attention to the fact that the revolutionary fight against all forms of human dependence ends up being perverted as a speech against all material dependence. The moral dignity of men is associated with their capacity of material autonomy. The idea of helping the needy is then perceived as a humiliating submission that must be avoided (Rosanvallon 2011). On this context, Human Right discourse, on its liberal construction, places individual freedom on top of the hierarchy of values of social and political life. The paradox of liberalism is that the affirmation of freedom does not promote effectively freedom. On unequal material conditions, the non-intervention of State represents a permission for the subjection of the weaker by the stronger, the poor by the rich. Liberalism transforms the fundamental right of freedom on a privilege for those that have the economic conditions for their self-determination and pursuit of their interests. As a privilege experienced unequally, liberty is transformed in a license for the determination not only of oneself, but of everyone else that is in circumstances of economic and social vulnerability.

In addition, liberalism promotes a false *depoliticization* of the economic sphere, compromising the experience of political freedom. According to Ellen Wood, on *Democracy against Capitalism*, the dissociation between the economic and political domains serves to devoid the economy of any political and social content and vice-versa (Wood 1995).⁹ This separation contributes to hide the real causes and consequences of inequalities. She explains that capitalism "made it possible to conceive of 'formal democracy', a form of civic equality which could coexist with social inequality and leave economic relations between 'elite' and 'labouring multitude' in place" (Wood 1995, 213).

The argument that the economy does not imposes itself to public power and social dynamics is opposed by the Portuguese Professor Antônio José Avelãs Nunes. Against the idea that the market is constituted by natural economic forces that operate in a more efficient way when not submitted to State interventions,

^{9.} "In all these senses, despite their differentiation, the economic sphere rests firmly on the political. Furthermore, the economic sphere itself has a juridical and political dimension" (Wood 1995, 30).

he draws attention for the political aspect of market as an institution constructed according to interests of some social groups.

> The history of human societies shows that the market is not a pure natural mechanism of efficient and neutral allocation of scarce resources and automatic regulation of the economy. The market must first be considered, as the State, a social institution, a product of history, a historical creation of humanity (corresponding to certain economic, social, political and ideological circumstances), who came to serve (and serves) the interests of some (but not the interests of all), a political institution designed to regulate and maintain certain power structures that ensure the prevalence of the interests of certain social groups over the interests of other social groups. "Far from being 'natural', markets are politicians", argues David Miliband. I mean: the market and the State are both social institutions, which not only coexist as they are interdependent, building up and reforming each other in the process of their interaction (Avelãs Nunes 2003).

The false apolitical discourse of liberalism transfers for those who have economic power a huge political power. As mentioned, individual freedom in a context of inequality becomes a privilege not only to the self-determination of the activities of those who have the resources to pursue their interests, but mainly to the economic determination of political order according to their interests.

2.4 Poverty, Social Inequality and Human Rights

Supported by a liberal ideology, the discourse of Human rights promotes the subjection of political life to the interests of economic powers, ensuring not only that the unequal distribution of wealth remain as it is, but also that the rules of political life are shaped by their interests. That is why the fight against poverty has been taken as a marginal issue in the last two centuries. The liberal argument that little regulation of markets, minimal State and free accumulation of wealth would be beneficial to economic growth and would promote naturally the reduction of poverty is contested by the American economist Joseph Stiglitz. The author of *The Price of Inequality* argues that in the USA, the levels of inequality have never been so high, approaching the levels seen in the years before the Great Depression. He notes that American inequality is the result of market distortions and of political incentives that are directed not to the creation of new wealth, but to its transference from the poorest to the richest (Stiglitz 2013).

> We have a political system that gives inordinate power to those at the top, and they have used that power not only to limit the extent of redistribution but also to shape the rules of the game in their favor, and to extract from the public what can only be called large "gifts" (Stiglitz 2013, 39).

One cannot forget that markets are actually shaped by laws, regulations and institutions (or by the lack of them) and that every law, regulation or institutional arrangement has distributional consequences and affect the increase or decrease of poverty. In the context of real inequality, the political discourse that absolutizes individual freedom and advocates for the noninterference of the State on the economic dynamics inevitably allows the levels of poverty and inequality to be determined not by democratic mechanisms of political decision, but by selfregulated interests of market forces.

Stiglitz's thesis is that inequality does not just happen. It is created. Government policies shape the market forces that shape inequality (Stiglitz 2013). Certain political decisions benefit a group, transferring the cost to another. "The effect of each decision may be small, but the cumulative effect of large numbers of decisions, made to benefit those at the top, can be very significant" (Stiglitz 2013, 38-39). As for the reasons that explain or justify poverty, Serge Paugam clarifies that two main causes are in general appointed: laziness of the poor and social injustice. The explanation of poverty due to a lazy attitude is related to a certain ethics that proclaims labor as a moral obligation. On this wise, the poor are those that supposedly have not worked enough. They are the only cause to their state of poverty. Therefore, the government would not be bound to help them. In the other hand, the explanation of poverty as a social injustice claims that the poor are victims of a system that condemns them to poverty. Thus, the public authorities have the duty to help them (Paugam 2013).

The fiction of equal opportunities helped prevail, in the last two centuries, the justification of poverty due to the laziness of the poor and of privileges of the wealthy due to their personal merit. Therefore, the political mechanisms of wealth distribution were disqualified by the dominant discourses and mitigated by economic forces.

According to Rosanvallon, the idea of equal opportunities is paradoxical because it enshrines inequality. It is more concerned with the justification of real inequality than with the promotion of true, strong and radical equality. In this sense, it gives place to a theory of justice that is actually a theory of legitimate inequalities (Rosanvallon 2011).

The levels of poverty and social inequality in the world demonstrate not only the failure of human rights, but the inability (or disengagement) of liberal discourses to promote real equality and to fight human poverty.

According to the *International Labour Organization* (ILO 2014), there were, in 2013, 750 million working women and men living on less than USD 1.25 a day (which would represent 22% of the global workforce) and 1 billion and 678 million living on less than USD 2 per day (50% of the total). In spite of a declining trend in recent years, the rates are still shocking,

especially when considering that we are dealing with the most extreme poverty of working women and men living with about USD 40 to 60 per month.

In Brazil, according to the World Bank data of the year 2012, economic inequality remains high, with the richest 20% of the population concentrating 57.4% of the total country's income while the poorest 20% seizes only 3.4%. 60% of the population holds no more than 23.5% of the total income. In Norway, one of the least unequal countries in the world, the richest 20% of the population concentrate 36.0% of the income while the poorest 20% get only 9%. In the USA, the proportion is 46% of the country's income for the richest 20% and 4.7% for the poorest 20%.

Hanna Arendt reminds that:

The connection between wealth and government in any given country and the insight that forms of government are interconnected with the distribution of wealth, the suspicion that political power may simply follow economic power, and, finally, the conclusion that interest may be the moving force in all political strife – all this is of course not the invention of Marx, nor for that matter of Harrington: 'Dominion is property, real or personal'; or of Rohan: 'The kings command the people and interest commands kings.' If one wishes to blame any single author for the so-called materialistic view of history, one must go as far back as Aristotle, who was the first to claim that interest, which he called the $\sigma \mu \mu \phi \dot{\epsilon} \rho \sigma$, that which is useful for a person or for a group or for a people, does and should rule supreme in political matters (Arendt 1990, 22).

Thus, while the fiction of equality – taken as a sacred principle by the Declarations of rights of the eighteenth century – has fostered the assertion of absolute freedom of the individual against religious and political oppression, such freedom, supported by a merely formal equality, freed only those who could gather strength to impose themselves. In the context of real inequalities, we have witnessed the establishment of new forms of subjection of men and women to economic powers.

Therefore, although liberal democracies have been established based on human rights discourse, they have been unable, in the last two centuries, to promote effectively equality and liberty. They failed to place their citizens under equivalent conditions of participation in public decision-making and of equal fruition of wealth, State services and legal protections. Without material equality, liberal democracies keep liberty as a privilege and, as such, its meaning is associated with a disproportional grant of power to some citizens to take place in political decisions, reducing the underprivileged to a status of permanent political and economic servitude.

The promises of liberalism concerning liberty have failed. Obscured by ideologies and interests that have cynically presented themselves as impartial and rational, human rights discourse, supposedly committed to liberty, has not been able to eradicate poverty and social inequality, and consequently it has been unable to promote liberty itself.

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