

**Ethics of Rationality & Sustainability *An Economic
and Environmental Approach***

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Abstract

In the current age of widespread, rapid and dynamic technological growth, loss of environmental sustainability is primarily due to mass depletion of resources and increasing rates of pollution which has weakened the ecological balance of the planet and poses a significant risk and threat on the survival of the future generations.

Sustainability is defined as “the maintenance of a state in its present or perhaps improved form”. It is characterized by the notion of dynamicity in the sense that the particular state needs to be maintained in its present or improved form in the future for the fulfillment of its objectives. The most important questions which may arise while discussing the issue of sustainability could be the following: Why is sustainability important? Why is it worth sustaining? What ethical principles should guide the notion of sustainability?

An attempt has been made in this paper to analyze the rationale of sustainability from an economic and more importantly, an ethical perspective. Addressing the important inter-relationships between the concepts of identity, rationality and sustainability and applying the most important ethical theories to validate the necessity of sustainability has been the main focus of this paper.

Introduction

The human interaction with the environment for the fulfilment of the objectives of economic development and welfare has put the environment at a greater risk due to loss of environmental sustainability. To preserve the sustainability of environmental systems and resources, a proper and efficient rationale needs to be devised for its universal

acknowledgement and implementation. As a very basic thought to support the need for sustainability it can be argued that the sacrifice of the welfare and standards of living for the future generations itself violates the principle of equity and justice under the ethical considerations. Thus maintenance of intra-generational and inter-generational equity leads to the preservation of the vital element of ethics and guarantees the objectives of sustainability. To build a sustainable society it is imperative to operate within the carrying capacity of its natural and social system. A system of rules and incentives needs to be promoted for replenishing of resources and limit depletion and pollution. The existence of a sustainable society depends upon the commitment of its members to conform to these rules voluntarily, and to enforce them when necessary. The ethical reasoning of sustainability forms the core of the rationale for sustainability. It provides the argument for the adoption of sustainability techniques and the sustainable management of resources which constitutes one of the most important agenda for economic and political institutions in present times.

Identity, Rationality & Sustainability

The social identity of the economic agent characterized by his role, occupation and objectives determines his choice, preference and rational behaviour. The agent is assumed to be rational. Rationality could be defined as the quality or state of being reasonable, based on facts or reason. However the execution of the rational behaviour by the agent may affect the environmental sustainability. For example, the consumer as an economic agent has the objective of maximizing his utility. Based on his preferences and demand, he purchases a set of economic goods and consumes them to derive the utility. However this rational behaviour of the consumer leads to generation of wastes which reduces the environmental sustainability. Similarly, the objective of the producer is maximization of profit by the production of goods and services. He purchases the inputs and combines them optimally to efficiently produce the output of goods and services. However as a result of this rational behaviour, he creates the twin problems of resource depletion and environmental pollution. Therefore rationality sustainability are mutually conflicting concepts.

Thus it can be concluded that rational behaviour of agents in the society may lead to the loss of environmental sustainability. The pertinent question in this context is whether this rational behaviour of agents is ethically justified under the context of sustainability. Hence it is important to analyze and judge the ethical validity of the rational behaviour of the agents in the context of the wider scope of environmental sustainability. The meaning and understanding of sustainability in an ethical context can ensure the simultaneous satisfaction of ethical, economic and environmental rationality.

Ethical Validity of Rational Behaviour for Environmental Sustainability

For an action or behaviour to be ethically acknowledged, it requires to be judged on the grounds of following four central components:

1. The objectives of the agent.
2. The characteristics of the action.
3. The consequences of the action.
4. The context within which the action takes place.

The first component necessarily relates to the identity of the agent and his rational objectives aimed at achieving higher levels of welfare (assessed in terms of maximizing utility, profit, etc.) The concept of Welfare has to be clearly defined to meet the ethical reasoning of maintaining sustainability: Whether the agent is only focused on achieving his own welfare or whether he is considerate about the welfare of the society, economy and environment at large together with the maintenance of the similar levels of welfare in the future? The ethical dimension of rationality and sustainability definitely requires the latter concept of welfare, the concept of welfare which can be considered to be wider and dynamic in nature entailing all the major systems and processes which can maintain the levels of welfare and prosperity for the future generations of life on the planet.

The second component relates to the nature of the action. It encompasses the course of action followed by the agent to fulfill his goal. To reach a certain goal, an agent may have a variety of alternative courses of action, each involving decisions regarding consumption, production and distribution of different goods and services. The particular course of action adopted by the agent depends on a wide spectrum of factors comprising of individual, social and economic factors. The chosen action needs to be analyzed to evaluate its ethical conformity to sustainability: whether the elements of the action conforms to the principles of sustainability or distorts it.

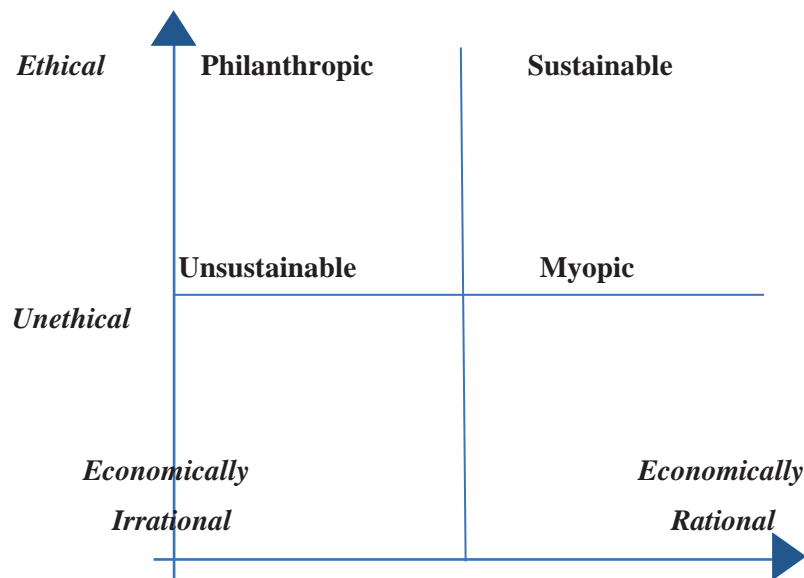
The third component illustrates the impacts of the action. The action may have both positive and negative effects on the society, economy and environment. There may be also be direct and indirect dimensions of the impacts of the action. The evaluation of the consequences of the action necessarily requires a cost-benefit analysis within an ethical perspective. The net benefit of the action can be considered to judge the efficiency of the action in meeting the criteria of sustainability.

This fourth component focuses on the context within which the action takes place in respect to whether the action preserves or weakens the system, which supports the very existence of the agent and his activities. This component has a vital and a direct link with the issue of sustainability.

Conflict between Ethical Principles & Economic Rationality

An action may be based on the rational behaviour of an economic agent, but may be devoid of an ethical base. Similarly an ethical behaviour may not be economically rational. Definitely such an action may also be existent which neither conforms to ethical principles nor economic rationality. Sustainability requires the satisfaction of both ethical principles as well as economic rationality. The behaviour of an agent can be considered to be sustainable only when the economic objectives of profit maximization or utility maximization do not endanger the environmental and social considerations; rather it preserves and to some extent enhances the society and environment. However there may arise conflicting situations between ethical principles and economic rationality when the simultaneous adherence to both cannot be fulfilled.

The following graphical presentation provides an illustration of the nature of the conflict and its subsequent outcome. The degree of economic rationality is measured on the horizontal axis progressing from economically irrational behaviour to economically rational behaviour. The degree of ethicality is measured on the vertical axis, progressing from unethical behaviour to ethical behaviour.



An ethical and economically rational behaviour will definitely ensure a state of sustainability. Efficient use of resources by the implementation of environment friendly technologies which can generate less amounts of pollution can definitely bring about sustainability by the preservation of strategic resources and lesser environmental degradation.

A behaviour which is both unethical and economically irrational can degrade the society, economy and the environment. Such behaviour can erode the values from the society, profits

from the business and the carrying capacity from the environment and therefore can be considered to be unsustainable for life.

Economically rational behaviour devoid of ethical principles is myopic in nature. The gains from economic efficiency are short term in nature when there is no consideration of ethical principles of equity and justice in the management of resources or activities. Resources may be over utilized with large scale inequality among the larger masses of people and the society and the environment may be significantly endangered. Such a state can bring about short term gains but with time there would be a steady decline in the level of economic activities and profit finally leading to a state of unsustainability.

Behaviour comprising of sound ethics but no economic rationality can be considered to be philanthropic in nature. The absence of economic efficiency may not support the organizations and systems dedicated to the development and growth of the economy. It may set us on a reverse path of development and evolution of society and economy to the primitive times with the fall in the living standards.

Ethical Principles as a Rationale of Sustainability

Some of the well-known ethical principles and schools of ethical thought can provide the explanation for the necessity of sustainability and thus establish a rationale for its adoption in addressing the global environmental challenges.

a. Utilitarianism and sustainability

Utilitarianism is a teleological theory of Ethics based on consequentialism which focusses on the end goal of an action to judge its ethical validity. According to Classical Utilitarianism, developed by Jeremy Bentham and John Stuart Mill, an action is right from an ethical point of view only if it produces the greatest amount of good for the greatest number of people. Thus utilitarianism seeks to maximize the utility of an action by evaluating the net benefits obtained (calculated by taking the differences of the costs and benefits that the action has on the society). The Utilitarian principle observes the environment as an instrumental good and the obligation for sustainability and protection of it arises due to the benefits that can be obtained by its preservation. Any rational behaviour of agents has to be assessed in terms of its costs and benefits that it has on the society, economy and environment. A sustainable action can be argued to produce greater benefits for the maximum number of people as it takes into account social, economic and environmental concerns of the world as a whole together with the maintenance of such a state for the future generations of people. While economic rationality can provide greater benefits for an individual or a particular group of individuals, sustainability can ensure greater benefits for the humanity at large.

The measures of environmental preservation can also be subjected to Utilitarian principle where the costs of environmental protection have to be weighed against the benefits derived from such activities. The immediate costs of environment preservation activities would be outweighed by the long term benefits of such activities, thereby establishing the rationale for its application. In light of the above discussion, it can be stated that sustainability conforms to the Utilitarian view of Ethics and utilitarian principles can be well applied to determine the optimal sustainable solutions to decision making problems.

b. Deontological Ethics and sustainability

Deontology is derived from the Greek word ‘deon’ meaning duty. According to the Deontological view, it is the sense of duty rather than consequence of an action which becomes the fundamental aspect of morality. The Deontological view is based on the ethical principle of Categorical Imperative given by German Philosopher, Emanuel Kant. The Categorical Imperative comprises of two formulations:

1. An action is morally right if the reason for carrying out the action is that he or she would be willing to have others follow it in a similar situation.
2. Act in such a way that you always treat humanity as an end and never as a means only.

The Deontological view considers environment as an intrinsic good and hence is entitled to respectful treatment from humanity. It becomes the moral obligation of duty for human beings to protect the environment since it possesses intrinsic values. Thus sustainable practices are ethically correct as it embody the sense of duty towards the preservation of environment.

According to the first formulation of Categorical Imperative, if an agent wishes to indulge in unsustainable behaviour he needs to believe that everyone else would do the same. But unsustainable behaviour by all the agents will lead to environmental degradation. Hence he would follow sustainable practices towards environment. Thus sustainable behaviour satisfies the first categorical imperative for acknowledging as an ethically correct behaviour. The practice of sustainable actions also satisfies the second formulation as it ensures social justice. The elimination of social evils like exploitation and promotion of equality in the living standards for all are the important objectives of sustainability under the social dimension.

Therefore sustainability satisfies the Deontological view of Ethics to be acknowledged as an ethically correct strategy.

c. Social Justice and Sustainability

A social theory of Justice was given by John Rawls which is known as “Justice as Fairness”.

John Rawls derives his two principles of justice: *the liberty principle* and *the difference principle*. The first being that each person has an equal right to the most extensive basic liberties that are compatible with similar liberties for others. The second principle explains that social and economic inequalities are arranged so that they are both reasonably expected to be to everyone's advantage and attached to positions and offices open to all (Rawls, 1971). The principle of justice deals with the fair distribution of benefits and burdens in the society. This essentially involves framing of certain principles to ensure distributive justice whereby equal opportunities can be provided to the different sections of the society.

The concept of Justice entails a fundamental concern that every individual in the society is entitled to equal opportunities in life. The sacrifice of the opportunities of one individual for the development of another can be interpreted as unethical leading to exploitation and a state of inequality in the society. Social discrimination arising out of unjust distributary systems can lead to unsustainability as marginalized sections of the society may pursue rapid depletion of common property resources leading to environmental exploitation. Unequal distribution of natural wealth limits the opportunities for the some of the sections of the society and gives rise to inequality in income and living standards.

Sustainability objectifies efficient, equitable and just distribution of resources, both natural and man-made capital to meet basic human needs. It also ensures empowering of poor and marginalized sections of the society to actively participate them in the mainstream development process.

The justice consideration of sustainability comprises of three levels, viz. social justice, economic justice and environmental justice.

Social justice relates to the equitable fulfillment of basic social elements like basic needs of food clothing and shelter, social security, cultural needs, freedom from poverty and exploitation and greater entitlement for participation in social systems.

Economic justice relates to equality in the distribution of income and wealth and efficient allocation of economic opportunities of work and sharing of economic costs for preserving the economy, society and environment.

Environmental Justice relates to the equality of rights to have access to a safe and healthy environment and proper management of common property resources.

Sustainability not only focuses on the issue of equity and justice of the present generation (known as intra-generational equity) but also cares about maintaining the similar levels of equity in the future(inter-generational equity). From the above discussion it can be inferred that sustainability satisfies the principles of justice and can help in establishing equality in the society.

d. Virtue Ethics and Sustainability

Aristotle's Virtue Ethics considers the characteristic traits of a person that can make a significant contribution towards good and meaningful life, referred to as Virtues. This particular field of Ethics emphasizes on morality and integrity of character rather than moral rules or consequences of actions as highlighted by Deontology or Utilitarianism respectively. Virtue Ethics focuses on finding out those characteristic traits of a person which can provide a good life and then ensuring practice of such virtuous behaviour for the fulfillment of the objectives of good life. On a societal level, virtues can aid to the formation of a society based on personal commitment towards its preservation and enhancement. It can ensure harmony among the members of the community and encourage coordination and cooperation in developmental activities. Sustainability requires a fresh approach of virtues towards the environment, which could be conceived as Environmental Virtues. Such virtues could be in the nature of care, respect, compassion and a sense of accountability towards the environment. Thus sustainable actions can be considered as virtues as it comprises of such characteristic traits which are aimed at the welfare of the society, economy and environment. Virtue Ethics proposes that virtues are the mean of two vices and thus strikes a balance between two extremes of behaviour. Using a similar analogy, sustainability can be considered as the balance between two important dimensions of development: economic rationality and ethical rationality. Thus sustainability can be considered to be an important virtue.

Concluding Remarks

The ethical justification of sustainability makes it amenable for application in various fields of policy making and rational decision making. Ethical logic of sustainability acts as a powerful tool for its acceptance by the members of the society. The adherence to ethical principles makes sustainability an efficient process to ensure justice, equity and welfare in the society. Sustainability obtains the right balance among the components of society, economy and environment and provides the scope for the simultaneous fulfillment of the goals of the three aforementioned components. However the practical difficulties of applying sustainability principles do exist. For developing nations, this is particularly the case. For achieving higher growth rates, creation of industries providing mass employment is essential to reduce the acute problems of poverty and unemployment these countries face. This entails the rapid depletion of resources and adding to the problem of environmental pollution. Implementation of sustainability measures comprises of higher immediate costs and longer gestation periods which could be detrimental to the economy's growth in the short run, though it is beneficial in the long run. Thus the developing nations face the ethical dilemma

of choosing between immediate fulfillment of economic goals and long term achievement of
the objectives of sustainable development.

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