

Moral Responsibility in Economic Downturns: A Call for Collective Action in Developing Nations

Md. Lawha Mahfuz ¹

Abstract

This paper builds upon Peter Singer's ethical framework asserting that individuals bear a moral duty to aid those in need. It argues that giving to charity is obligatory, particularly in times of economic downturn affecting developing nations. Focusing on the current economic challenges faced by many developing countries, including declining remittances, foreign exchange shortages, energy market imbalances, and inflation, the study contends that collective action is essential to navigate these crises. It advocates for a shift in individual priorities towards essential needs over luxury expenditures and emphasizes the importance of resource conservation and waste reduction. Additionally, it underscores the significance of supporting local economies by patronizing domestic products and services to alleviate hardship among vulnerable populations. Ultimately, the paper explores the necessity of shared responsibility to ensure the long-term sustainability of developing nations.

Keywords: Morality, Sustainability, Responsibility, Economy, Developing nations

1. Introduction

In the midst of economic downturns, developing countries encounter complex issues that necessitate prompt moral reflection and coordinated efforts. There have been numerous economic downturns throughout history, each with its own special set of complications and effects. Take the example of Bangladesh, a nation with a growing economy, which is currently in a precarious situation. Reduced remittances, depleting foreign exchange reserves, energy market imbalances, and rising domestic inflation all indicate a threat to the country's economic stability (Amit & Kafy, 2024). The ethical principles put forth by ethicist Peter Singer, which state that everyone has a basic duty to help those in need, particularly in times of crisis, take centre stage in this situation (Singer, 1972).

¹ Lecturer, General Education Department, University of Liberal Arts, Dhaka, Bangladesh (ULAB)
Email: mahfuzcu2017@gmail.com
ORCID: <https://orcid.org/0009-0002-8148-6024>

The ethical debate centered on this study is whether or not individuals in the larger community have a moral obligation to address an economic crisis. This study investigates the notion that charitable giving is both a kind deed and a moral obligation, especially in light of a nation's economic turmoil. This paper takes inspiration from Singer's ethical framework. This study aims to clarify the moral implications of both individual and collective actions during economic hardship by analyzing the intricate relationships among morality, sustainability, and responsibility. It's often labeled that economics examines self-interested behavior (Girardi et al., 2021), or egoism in philosophy, the conflict will be assessed in the context of moral responsibility. In order to create the conditions for long-term economic sustainability, communities, institutions, and governments must work together. This emphasizes the necessity of collective responsibility.

This investigation is a call to action, asking people to acknowledge their moral responsibilities and cooperate to create a more sustainable future for developing countries. It is not just an academic endeavor. This research argues for a paradigm shift in individual and societal values through ethical introspection and group endeavor, fostering a sense of moral duty that transcends economic challenges and opens the door to a more resilient and compassionate society.

2. Challenges of the Developing Countries

The World Economic Forum's Global Risks Report 2024 reveals that an economic downturn is considered the number one risk over the next two years by a significant number of regions (This Is What Different Parts of the World Consider to Be the Greatest Risks Right Now, 2024). There is an anticipation that the world economy will expand by 2.7% in 2024 and 1.7% in 2023. The Forecasts for 2023 have been revised down for 95% of advanced economies and roughly 70% of emerging market and developing nations, indicating that a widespread steep decline in growth is anticipated (World Bank Group, 2023a). Also, growth prospects have gotten worse for a lot of poor nations due to tighter credit requirements and growing external finance costs (Post-pandemic World Economy Still Feeling COVID-19's Sting, 2023).

If I dive into the specific challenges faced by developing countries, these will be poverty, inequality, economic destabilization, climate and environmental degradation, and a lack of financial technology. These challenges coexist within the developing world. It's projected that approximately 700 million people still live on less than US\$1.90 per day, and 1.3 billion people are multidimensionally poor.

The middle-income countries account for a large part of this trend (Development Challenges and Solutions, n.d.). The COVID-19 pandemic increased global income inequality, undoing two decades of progress in lowering inequality and disproportionately affecting vulnerable groups and developing economies (World Bank Group, 2023b). It is important to note that developing economies confront a myriad of economic challenges, including ongoing COVID-19 outbreaks, heightened inflation, soaring debt levels, and escalating income inequality.

Moreover, countries are gulping with pressing environmental crises, which pose significant concerns for fostering stable economies. The developing economies face a number of important challenges in their efforts to move quickly to a low-carbon economic growth path, such as a lack of finance, a technology and skills gap, and uncertainty over a future global carbon market (Barbier, 2010).

So, the point is to understand how these problems are interrelated, with solving one potentially having an impact on others. For instance, concerns about inequality and environmental sustainability must be included in initiatives to combat poverty. Likewise, strategies to mitigate the consequences of climate change need to take poverty and inequality into consideration. This demonstrates how comprehensive and well-coordinated methods are essential for effectively tackling these challenging issues.

3. Ethical Obligations in the Face of Global Suffering

During the 1971 liberation war between East Pakistan (now Bangladesh) and West Pakistan, nearly 10 million refugees sought shelter in West Bengal and other northern states of India (Dasgupta, 2016). Based on this refugee crisis Peter Singer developed his argument for effective altruism. The paper explores Singer's thesis from the lens of developing countries, where extreme poverty, famine, and inadequate healthcare are harsh realities. This discussion challenges the ethical obligations of the privileged and the societal structures perpetuating inequality, compelling us to transform moral discourse into meaningful action.

If we examine the strong case made by Peter Singer in "Famine, Affluence, and Morality," we are forced to consider a difficult moral conundrum that calls into question the fundamental principles of our way of life. Here comes two types of actions and these are obligatory and supererogatory. Obligatory actions are those that one is morally required to do, while supererogatory actions go above and beyond what is morally required.

Singer's argument's drastic consequences call into question our traditional ideas of obligation and charity. It raises ethical concerns about the decisions we make on a daily basis and forces us to reassess our priorities, particularly with regard to materialistic goals.

First, we should take action if we can stop something unpleasant from happening without sacrificing anything equally important.

Secondly, extreme poverty is unacceptable.

Thirdly, we are able to avert certain forms of extreme poverty without compromising anything of equivalent moral importance. In conclusion, we ought to try to stop extreme poverty (Singer, 2011).

Suffering and death due to poverty is a grave moral issue, as many people lack basic necessities such as food, shelter, and medical care. This severe deprivation can be mitigated by redirecting funds from non-essential purchases to charitable donations. If we reevaluate, many of the purchases we make are not

essential in the grand scheme of things, and foregoing them would not result in significant personal loss. Consequently, if we can prevent significant harm without incurring substantial personal loss, we are morally obligated to do so. This leads to the conclusion that we should donate to charities instead of spending on non-essential items.

Peter Singer's argument on effective altruism presents a compelling ethical framework that challenges our traditional views on charity and moral obligation. By examining this argument in the context of developing countries facing extreme poverty, we are forced to confront the ethical implications of our choices and the societal structures that perpetuate inequality. This exploration calls for a transformation of moral discourse into meaningful action, emphasizing the need for individuals and societies to reassess their priorities and take concrete steps to alleviate suffering.

4. Effective Altruism and Responsibility to Developing Nations

A philosophy and social movement known as "effective altruism" looks at the best ways to help others by using logic and facts. It entails not only doing good but also doing the best one can given the means at hand. The idea urges people to act in a way that will have the biggest positive impact while taking into account all causes and options (MacAskill, 2015).

According to Singer's ethical paradigm, there is a big obligation to help underdeveloped countries. These nations frequently deal with serious issues like hunger, poverty, poor healthcare, and a lack of access to education. Richer countries' individuals and organizations can successfully contribute to the Sustainable Development Goals (SDGs) set forth by the United Nations by using the principles of effective altruism. By 2030, these objectives seek to eradicate poverty, safeguard the environment, and guarantee prosperity for all (Transforming Our World: The 2030 Agenda for Sustainable Development | Department of Economic and Social Affairs, n.d.). It will take a team effort and a substantial commitment of resources to the most underserved communities to achieve the SDGs. According to Singer's reasoning, people who live in wealthy nations ought to make it a priority to fund philanthropic contributions and expenditures that directly advance these objectives. Redirecting money from non-essential luxury purchases, for instance, to institutions that offer developing countries access to clean water, healthcare, and education will significantly raise living standards and advance the SDGs (Singer, 2015).

The moral ramifications of Singer's claim are significant. It pushes people to reconsider their priorities and acknowledges their capacity to have a big influence. In practical terms, this means endorsing organizations and programs that have demonstrated their efficacy. GiveWell and The Life You Can Save are two organizations that offer suggestions for high-impact charities that support the SDGs and adhere to the principles of effective altruism (Our Top Charities, n.d.).

5. Promoting Sustainable Practices: An Analysis

For developing countries, encouraging sustainable habits through waste reduction, resource conservation, and local economic development can be quite advantageous. By implementing these strategies, communities become more resilient and better able to weather environmental shocks and economic downturns. If we preserve natural resources to the long-term viability of national and international economies. We can lessen the impact of climate change, lessen the burden on natural ecosystems, and guarantee that future generations will have access to the resources they require by practising resource conservation. By adopting renewable energy sources and making more effective use of existing resources, this technique can lessen reliance on finite resources and cut greenhouse gas emissions (Yearley, 2013).

Also, Businesses and governments can save money by putting waste reduction ideas into practice. Recycling initiatives can lower the risks to the environment and public health that come with disposing of waste (Gharfalkar et al., 2015). They can also produce income and jobs. Providing support from the local economy increases community resilience. Spending money locally tends to keep it in the community, creating a multiplier effect that encourages other business ventures. This can be especially helpful in underserved and rural areas, where small companies frequently constitute the foundation of the local economy (Shuman & Buffett, 2012).

The Sustainable Development Goals (SDGs) and the long-term development of developing countries depend on the establishment of a more stable and sustainable economic environment, which can be achieved by incorporating certain sustainable practices.

6. Collective Action and Shared Responsibility

The long-term viability and resilience of emerging countries depend on collective action. The complexity and scope of the problems these nations face such as economic instability, poverty, and climate change often surpass the potential of individual initiatives. To solve such big issues calls for concerted efforts by a variety of stakeholders, including governments, international organizations, businesses, and civil society, who are collaborating to achieve shared objectives. In order to make a larger impact, the collective action principle makes sure that resources are combined, knowledge is exchanged, and activities are coordinated accordingly (Ostrom, 2010). The notion of shared responsibility highlights the necessity of sustainable development on a global scale. We can see that modern economies are interdependent, so decisions made in one country can have a big impact on other countries. For example, pollution and environmental deterioration can have far-reaching effects and are not limited by national lines. Thus, in addition to managing global externalities that disproportionately harm developing nations, collective effort is required to solve local challenges (Sachs, 2015).

It is commonly known that group efforts can significantly increase sustainability and resilience. The global reaction to the COVID-19 pandemic, for instance, demonstrated how concerted efforts can result in notable improvements in public health and economic recovery. Numerous international agreements, including the Paris Climate Agreement, show how cooperative nations can establish and meet challenging goals for cutting greenhouse gas emissions (UNFCCC, 2015). By promoting inclusive growth and development, collective action can improve resilience in poor countries. A framework for cooperation that addresses many aspects of development, from health and education to economic growth and environmental sustainability, is provided by multilateral programs like the Sustainable Development Goals (SDGs).

So, sustaining the long-term sustainability and resilience of developing countries requires not only shared responsibility but also joint action. Through collaborative efforts, knowledge sharing, sacrificing insignificant interests, and a shared vision, stakeholders may tackle complicated issues more successfully than they could if they worked in isolation. The accomplishments of group efforts in the fields of development, health, and climate change highlight the value of cooperation in obtaining resilient and sustainable results.

7. Conclusion

Developing countries have complicated issues during economic downturns that need for a multimodal, ethically motivated response. In order to solve global suffering and economic instability, it is morally necessary for individuals and communities to act together. To this end, I have drawn upon Peter Singer's ethical theory. According to the ethical argument discussed here, giving to charity is not only a kind deed but also a moral obligation, especially during difficult circumstances. Singer advocates for an impactful and strategic approach to charity, pushing wealthy individuals and nations to prioritize making substantial donations to reduce poverty and promote sustainable development. This can be termed as the act of effective altruism. If we want to build resilience and long-term stability in developing nations, we must support sustainable practices including resource conservation, waste reduction, and local economic assistance. These methods improve community well-being and economic stability in addition to lessening environmental deterioration. The accomplishment of these projects depends on shared accountability and coordinated action between corporations, governments, international organizations, and civil society.

Undoubtedly, there is a need for a paradigm shift or recurrence in societal values, where we can understand the importance of moral introspection and group endeavor to create a more equitable and compassionate world. As for now, this is the world in which we inhabit, we have a core responsibility as human beings to work towards the SDGs. This paper urges people to put aside their self-interest and make a significant contribution to the global effort to create resilient and sustainable communities in poor countries. It also calls for a renewed commitment to ethical responsibility.

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