Justice in "The Crunch"

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1. INTRODUCTION

Tallulah Bankhead is reported to have said "I’ve been poor and I've been rich and, believe me, rich is better." Most of us would agree with Tallulah. Nevertheless, many individuals, groups, and societies during the course of their existence face the necessity of coping with an economic "crunch," that is, with a diminution of their resources. Often, they cope badly and feel a loss in their self-esteem, their unity, and their sense of purpose as well as in their standard of living. However, it is not always the case that economic loss makes one poorer psychologically and socially. Thus, it is reasonable to ask: What conditions lead to the stimulation of latent paranoia, to the emergence of suspicious relations with others, to the breakdown of civility, to the decrease of individual and group morale, and to individual and social disruption in the face of an "economic crunch"? What conditions foster the effective mobilization of self and community to deal with adversity? These are the basic questions to which this paper is addressed.

My approach to these questions is guided by two interrelated assumptions:

1. The ability to cope is impaired to the extent that the economic loss is experienced as a threat to one's self-esteem. One of the important
factors contributing to this experience is the sense that one’s loss is personally unjust, that one has been deprived unfairly.

2. The ability to cope is impaired to the extent that the economic loss weakens the cooperative bonds that exist among individuals, within groups, organizations, or societies. The bonds of solidarity that help individuals and collectives to cope with adversity are weakened by the sense that the loss is not being justly shared or distributed.

It should be emphasized that the maintenance of self-esteem and the cooperativeness of the group bear reciprocal relationships with coping with a crunch. Thus, the ability of a group, institution, or society to cope with economic adversity is a function of its cooperativeness and self-esteem, and, in turn, its cooperativeness and self-esteem are influenced by the success of its coping.

2. CONDITIONS THAT AFFECT COPING

The above two assumptions lead me to place considerable stress on the importance of justice in coping with hardship. However, it would be amiss if we did not recognize that coping is affected by many factors and that the sense of justice in the face of adversity both affects and is affected by these other factors.

Below, I list and discuss a variety of conditions that affect coping with economic loss. These are (a) the individual’s and the group’s situation prior to adversity; (b) the salience of economic value in the individual’s and the group’s eyes; (c) the nature of the crunch; (d) the causal attribution of the crunch; (e) the distribution of the loss; (f) the constructiveness versus the destructiveness of the conflict; (g) the ability to be creative; (h) the potential for mobilization; and (i) participation in decision making. My discussion is, for the most part, speculative rather than based on well-established research findings.

2.1. The Individual’s and the Group’s Situation prior to the Adversity

Here I refer to the prior economic condition as well as to the preexisting psychological and social state. The economic conditions include factors such as one’s level of economic expectations, one’s existing economic reserves for coping with adversity, and one’s prior experiences and skills in dealing with hardship. Uninterrupted prior affluence may be a poor basis for coping with adversity; it leads to a high level of economic expectations and, thus, a sense of severe deprivation when difficulty is experienced; it does not promote the development of the skills for coping with adversity; and it might lead to an optimism regarding future affluence that does not encourage the accumulation of reserves for hard times. Prior poverty might, on the other hand, be good training for dealing with current hardship, unless the new adversity were to push one below the level necessary for physical, psychological, or organizational survival, or unless the prior poverty had left one so debilitated that one had no capacity to deal with further stress. The best basis for coping might well be a moderate degree of prior affluence, providing that this were associated with prudent expectations developed under the influence of past experiences of adversity as well as comfort and it were combined with unused resources that could be mobilized to deal with the current hardship.

As noted above, one’s vulnerability to an economic crunch is determined not only by one’s prior economic condition but also by one’s preexisting psychological and social state. In general, it could be expected that the worse off an individual is in problem-solving skills and other personal resources, then the lower his self esteem is, and thus the less able he would be to cope with new adversity; similarly, the more poorly a group, institution, or society normally functions, the less skills and resources it has developed for promoting cooperative relations; and the more rigidly it is organized, the less capacity it would have to cope with additional hardship.

2.2. The Salience of Economic Value in the Individual’s and the Group’s Eyes

Material affluence and comfort is often intimately linked to an individual’s self-esteem or to a group’s functioning. A person might define his psychological worth in terms of his economic worth, in terms of his possessions and material standard of living. Similarly, a group or a society might have economic production as a highly central value and might place primary stress on the production and distribution of consumer goods in its mode of functioning. If individuals or groups define themselves in terms of economic values, then they have increased vulnerability to economic adversity. It seems likely that much of the difficulty of coping with an economic crunch in the relatively affluent Western world would come from the social and psychological meanings of economic loss rather than from the associated physical hardships.

2.3. The Nature of the Economic Crunch

Clearly, the ability to cope with a situation is, in part, a function of its nature. An economic crunch has such characteristics as magnitude,
onset, expected duration, types of hardship, predictability, and perceived cause. An economic loss that is of minor magnitude, that has a gradual onset and a short duration, that was expected and is perceived to be of natural causes, and that creates tolerable hardships will cause little upset. In fact, it may not be sufficiently disruptive to motivate coping behavior. On the other hand, the nature of the economic crunch might be such as to induce a large discrepancy between what a person obtains and what he feels entitled to in the way of economic well-being—or, in other words, a strong sense of relative deprivation. This is apt to occur when the individual has been led to expect a high or increasing standard of living and he experiences instead a sudden, unanticipated, sharp decrease that he believes is not likely to be of short duration. Such circumstances are very apt to arouse an intense feeling of injustice.

2.4. The Causal Attribution of the Crunch

There are many factors that might influence whether an economic crunch is perceived as justifiable. Perhaps the most important is the social distribution of the economic loss, which is discussed below. Another key factor is the causal attribution or the subjective explanation for the occurrence of the crunch. The explanation might give rise to the view that someone or some group is responsible for it and can be blamed for the resulting hardships, or it might support the contrary belief, that it is no one’s fault—the crunch has resulted from a natural disaster or an unavoidable, uncontrollable concurrence of mishaps. The latter view is much less likely to support a sense of injustice about the hardships that one is experiencing than the former view.

It is evident that whom one blames could affect how and how well one copes with the crunch. If the blame is “intropunitive,” so that it is directed against oneself or one’s group, internal turmoil and immobilization could result. If it is “extropunitive,” so that the hardship is externalized, problems that are internal to an individual or to a group can be projected onto an external adversary or a disliked out-group (especially if these are judged to be weaker than oneself or one’s group). Thus, increased internal cohesion and mobilization of resources may result, and the individual or the group might function better than they would otherwise.

2.5. The Distribution of the Loss

Crucial to whether one views one’s adversity as being fair or unfair is how one evaluates the social distribution of the hardships resulting from the economic crunch. In discussions of distributive justice, a num-

ter of values underlying distributive justice have been repeatedly identified (Rescher, 1966). These are that all people should be treated:

1. So that they have equal “inputs”
2. So that they have equal “outputs”
3. According to their needs
4. According to their ability or potential
5. According to their efforts and sacrifices
6. According to their performance or according to their improvements in performance
7. According to the social value of their contributions
8. According to the requirements of the common good
9. So that none fall below a certain minimum

It is evident that these different values may conflict with one another: the most needy may not be the most able; those who work the hardest may not accomplish the most; giving everybody equal “inputs” may not result in their having equal “outputs”; treating everyone equally may not maximize the common good.

Under conditions of an economic crunch, how should the adversity be distributed? What distribution would be most likely to foster effective social cooperation to promote individual well-being? Rescher (1966) has suggested that in an economy of scarcity, the just rule is “The number of individuals whose share of utility falls below the “minimal” level is to be made as small as possible” (p. 97). Acceptance of a minimal rule implies the basic equality of human life: all people are entitled to at least the minimal conditions necessary for a humane life in a given society. How can the minimum be defined in a way that achieves social consensus? Rawls (1971) has suggested an interesting procedure that seems adaptable to the decision of how to define minimality: principles of justice are chosen behind a veil of ignorance. If decisions about the minimal share were made behind a veil of ignorance, each responsible individual in that society would be asked to define the minimal level that he would require for a humane life and, in making his definition, he would also be asserting that this would be the minimum for all others in that society. In making his definition, he would not know whether he would be sacrificed if there were not enough for everyone to have the minimum; he would know only that each person had the same chance to be sacrificed.

It seems unlikely that the amount available for distribution will be precisely the amount necessary to meet the requirements of a minimal distribution: it will be either too little or too much. If it is too little, it seems likely that Rescher's rule (“the number of individuals whose share of utility falls below the minimal level is to be made as small as possible”)
will be invoked rather than dividing the total equally so that all individuals are below the minimum. An "exception" might occur if an equal division would paradoxically make the "lower" minimum more humane. This might be the case if the lower minimum does not lead to physical debilitation or death but, if equally shared, leads to a higher sense of trust and cooperativeness with the full members of the community. If the lower minimum were physically debilitating, and Rescher's rule were applied, then some procedure for selecting those who would not receive the minimum (i.e., those who would be "sacrificed") must be developed. Two procedures that maintain the equal value of human life have been described for such circumstances: a lottery in which everyone has an equal risk of being sacrificed and a self-sacrificing or volunteer system. In both systems, those who are sacrificed would be honored for their sacrifice.

However, it seems likely that "randomization" of sacrifice and volunteering of self-sacrifice would not be adequate, by themselves, to ensure the survival and the perpetuation of the group in a catastrophic crunch, a crunch that would permit only a small percentage to survive. To achieve these ends in such a crunch, it would be necessary to make certain that those selected to receive the minimum include the group members who are most willing and able to produce the goods and services required for the survival of the group and also the members who are most willing and able to bear and rear children so as to ensure the group's perpetuation. The introduction of "high-priority" categories of group members does, of course, impair the equality principle and could lead to intragroup strife about the selection of members to compose the to-be-favored categories. The equality principle would be least impaired if either of two conditions prevailed: if all or many members of the group have the characteristics that would place them in high-priority categories or if only a very small percentage fall into such categories. In any case, if people were classified into various categories, the number required from each category could be selected by lottery designed to equalize chances within categories and also to take into account the differential priorities of the various categories.

From the above discussion, it can be concluded that where there is not enough for all to exist above the minimal level, scarcity should lead to the application of the equality value as the basis for distributive justice; and this value would be modified to give priority to those who can contribute most to the group's survival and perpetuation when the scarcity is catastrophic. Suppose, however, that there is more than enough to provide everyone with a humane minimum but not enough to give everyone what he has been used to. How is the extra to be distributed? One principle might be to distribute the extras so that everyone's income before the crunch is reduced by equal numbers of JNDs (just noticeable differences). Thus, if Person A had a yearly income of $1,000,000, he might just notice a drop in his standard of living if his income were reduced by $500,000; if Person B earned $500,000, he might just notice a loss of $25,000; if Person C's income was $10,000, he might just notice a drop of $500. In a moderately severe economic crunch, where each individual would have to lose many JNDs of income, I believe it can be shown that there would be a convergence of incomes of people at initially quite different levels of affluence. Thus, for all but relatively minor or catastrophic economic crunches, it seems that equality should be the dominating value for distributive systems.

Yet, it is evident that equality will result in an inequality of absolute economic loss; the previously affluent will lose more than those who were previously poor. As a consequence, they are more apt to experience the change to a system of equality as unjust and to resist it. Is there any way that they can be psychologically compensated for their larger economic losses without undermining the value of equality? I am not sure that there is a positive answer to this question. One can think of ways of easing the pain of the transition, by substituting honors, social appreciation, and such for income and wealth. But the fundamental problem for the formerly rich and the formerly poor alike in adjusting to a distributive system based on equality is to disengage their conceptions of themselves from a system of unequal distribution based on notions of relative individual worth. If they could take esteem for themselves and enjoy the human warmth of being part of a mutually respecting, friendly community of equals, their loss of relative position in a mutually suspicious, cold community of competitive unequals might not be a source of regret.

2.6. The Constructiveness versus the Destructiveness of the Conflict

In the economic crunch, the number and magnitude of conflicts among members of a society are bound to increase, partly because of the increased scarcity of many resources, and partly because of the social and individual changes required to adjust to the crunch. Changes will challenge vested interests, habits, loyalties, and commitments.

Conflict can take a destructive or a constructive course. Its course will be very much influenced by whether it occurs in a cooperative or a competitive context, and the course that a conflict takes will, in turn, influence whether the conflicting parties develop cooperative or competitive relations with one another. Destructive conflict has the characteristics of a competitive process and tends to elicit competitive relations, while constructive conflict has the characteristics of a cooperative
process and tends to elicit cooperative relations. I have summarized the differences in these two processes as follows (Deutsch, 1973).

2.6.1. Differences between Constructive and Destructive Conflict

2.6.1a. Communication. A cooperative process is characterized by open and honest communication of relevant information between the participants. Each is interested in informing, and being informed by, the other.

A competitive process is characterized by either lack of communication or misleading communication. It also gives rise to espionage or other techniques of obtaining information about the other that the other is unwilling to communicate. In addition to obtaining such information, each party is interested in providing discouraging or misleading information to the other.

2.6.1b. Perception. A cooperative process tends to increase sensitivity to similarities and common interests while minimizing the salience of differences. It stimulates a convergence and a conformity of beliefs and values.

A competitive process tends to increase sensitivity to differences and threats while minimizing the awareness of similarities. It stimulates the sense of complete opposition: “You are bad; I am good.” It seems likely that competition produces a stronger bias toward misperceiving the other’s neutral or conciliatory actions as malevolently motivated than the bias induced by cooperation to see the other’s actions as benevolently intended.

2.6.1c. Attitudes toward One Another. A cooperative process leads to a trusting, friendly attitude, and it increases the willingness to respond helpfully to the other’s needs and requests.

A competitive process leads to a suspicious, hostile attitude, and it increases the readiness to exploit the other’s needs and to respond negatively to the other’s requests.

2.6.1d. Task Orientation. A cooperative process enables the participants to approach the mutually acknowledged problem in a way that utilizes their special talents and enables them to substitute for one another in their joint work, so that duplication of effort is reduced. The enhancement of mutual power and resources becomes an objective. It leads to the defining of conflicting interests as a mutual problem to be solved by collaborative effort. It facilitates the recognition of the legitimacy of each other’s interests and of the necessity of searching for a solution that is responsive to the needs of all. It tends to limit rather than expand the scope of conflicting interests. Attempts to influence the other tend to be limited to processes of persuasion.

A competitive process stimulates the view that the solution of a conflict can only be one that is imposed by one side on the other. The enhancement of one’s own power and the minimization of the legitimacy of the other side’s interests in the situation become objectives. It fosters the expansion of the scope of the issues in conflict, so that the conflict becomes a matter of general principle and is no longer confined to a particular issue at a given time and place. The escalation of the conflict increases its motivational significance to the participants and intensifies their emotional involvement in it; these factors, in turn, may make a limited defeat less acceptable or more humiliating than mutual disaster might be. Duplication of effort, so that the competitors become mirror images of one another, is more likely than division of effort. Coercive processes tend to be employed in the attempt to influence the other.

2.6.2. Factors That Shape the Course of a Conflict

What factors influence whether a conflict will take a constructive–cooperative or a destructive–competitive course? What will enable a group to react cooperatively rather than competitively in the face of economic adversity? In the Resolution of Conflict (Deutsch, 1973), I have presented a detailed answer to such questions. Here, I will state a general principle, which provides a basis for deriving the more specific answers. This principle, which I have labeled “Deutsch’s crude law of social relations,” is that the characteristic processes and effects elicited by a given type of social relationship tend also to elicit that type of social relationship. Thus, the strategy of power and the tactics of coercion, threat, and deception result from and also result in a competitive relationship. Similarly, the strategy of mutual problem-solving and the tactics of persuasion, openness, and mutual enhancement elicit and also are elicited by a cooperative orientation.

Among the many implications that can be drawn from Deutsch’s crude law, a few are listed below:

1. Egalitarian and need-oriented systems of distributing the benefits and costs of group membership are more apt to foster cooperation than a competitive, meritocratic system.

2. The opportunity for direct, full, open, and honest communication among group members and between group leaders and group members encourages cooperation; infrequent communication, evasiveness, and lack of open, direct communication gives rise to rumors that stimulate suspicious, paranoid thinking and competition.

3. Increasing the salience of common interests and of similarities in values among group members stimulates cooperation; emphasizing the divergence of interests and values elicits competition.

4. Encouraging more frequent, friendly, informal interactions
among group members strengthens cooperativeness; restricting contacts to formal, distant impersonal relations is more apt to evoke competition.

5. Fostering member participation in group problem-solving aids cooperation; restricting problem solving to a few members encourages competition.

The issue of cooperation within a group is closely related to the issue of cooperation among different generations. Heilbroner (1975) raised the horrendous possibility that humanity may remain indifferent to the dangers of the future, diminution of resources being one of them. The question is: On what considerations should we make sacrifices now to ease the difficulties of future generations? There is only one possible answer to this question: it lies in our capacity to form a collective bond of identity with those future generations. Indeed, it is the absence of such a bond with the future generations that casts doubts on the ability of contemporary society to take now the measures needed to mitigate the problems of the future. In contemporary society, where economic productivity is a primary goal, individuals have only a limited motivation to form such bonds. In a society where competitive rather than cooperative relations are predominant, the conception of one’s community is narrow, and thus, the scope of his responsibility for future generations is narrow. It is probable that in a more cooperative society that is concerned more with the general welfare and indulges less in selfish calculations, such an identificatory sense could be strengthened.

2.7. The Ability to Be Creative

Effective cooperation and the ability to confront conflict constructively are important ingredients of creative solutions to problems. It is evident that an economic crunch faces individuals, groups, institutions, and societies with the necessity of creatively developing new ways of relating to their changed realities. The creative process can be described as consisting of several overlapping phases: (a) an initial period that leads to the experiencing and recognition of a problem that is sufficiently arousing to motivate efforts to solve it; (b) a period of concentrated effort to solve the problem through routine, readily available, or habitual actions; (c) an experience of frustration, tension, and discomfort that follows the failure of customary processes to solve the problem and leads to a temporary withdrawal from the problem; (d) the perception of the problem from a different perspective and its reformulation in a way that permits new orientations to a solution to emerge; (e) the appearance of a tentative solution in a moment of insight, often accompanied by a sense of exhilaration; (f) the elaboration of the solution and the testing of it against reality; and finally, (g) the communication of the solution to the relevant audiences.

There are three key psychological elements in this process: (a) the arousal of an appropriate level of motivation to solve the problem; (b) the development of the conditions that permit the reformulation of the problem once an impasse has been reached; and (c) the concurrent availability of diverse ideas that can be flexibly combined into novel and varied patterns. Each of these key elements is subject to influence from social conditions and the personalities of the problem solvers.

Thus, consider the arousal of an optimal level of motivation, a level sufficient to sustain problem-solving efforts despite frustrations and impasses and yet not so intense that it overpowers or prevents distancing from the problem. Optimal motivation presupposes an alert readiness to be dissatisfied with things as they are and a freedom to confront one’s environment without excessive fear, combined with a confidence in one’s capacities to persist in the face of obstacles. The intensity of motivation that is optimal varies with the effectiveness with which it can be controlled: the more effective the controls, the more intense the motivation can be without having disruptive consequences.

Although acute dissatisfaction with things as they are and the motivation to recognize and work at problems are necessary for creative solutions, these things are not sufficient. The circumstances conducive to the creative breaking-through of impasses are varied, but they have in common that they provide the individual with an environment in which he does not feel threatened and in which he does not feel under pressure. He is relaxed but alert. Threat induces defensiveness and reduces both the tolerance of ambiguity and the openness to the new and unfamiliar; excessive tension leads to a primitivization and a stereotyping of thought processes. As Rokeach (1960) has pointed out, threat and excessive tension lead to the closed rather than the open mind. To entertain novel ideas that may at first seem wild and implausible, to question initial assumptions of the framework within which the problem or conflict occurs, the individual needs the freedom or courage to express himself without fear of censure. In addition, he needs to become sufficiently detached from his original viewpoints to be able to see the conflict from new perspectives.

Although an unpressured and unthreatening environment facilitates the restructuring of a problem or a conflict and, by so doing, makes it more amenable to solution, the ability to reformulate a problem and to develop solutions is, in turn, dependent on the availability of cognitive resources. Ideas are important to the creative resolution of conflict, and any factors that broaden the range of ideas and alternatives available to
the participants in a conflict will be useful. Intelligence, exposure to diverse experiences, an interest in ideas, a preference for the novel and complex, a receptivity to metaphors and analogies, the capacity to make remote associations, independence of judgment, and the ability to play with ideas are some of the personal factors that characterize creative problem-solvers. The availability of ideas is also dependent on such social conditions as the opportunity to communicate with and be exposed to other people who may have relevant and unfamiliar ideas (i.e., experts, impartial outsiders, people facing similar or analogous situations); a social atmosphere that values innovation and originality and encourages the exchange of ideas; and a social tradition that fosters the optimistic view that, with effort and time, constructive solutions can be discovered or invented to overcome problems that initially seem intractable.

It can be shown that a cooperative process produces many of the characteristics that are conducive to creative problem-solving: openness, lack of defensiveness, and full utilization of available resources. However, in itself, cooperation does not ensure that problem-solving efforts will be successful. Such other factors as the imaginativeness, the experience, and the flexibility of the parties involved are also determinative.

2.8. The Potential for Mobilization

Individuals, groups, institutions, and societies rarely function at their capacity. They have resources and assets that are used inefficiently or not at all. “Mobilization” (see Etzioni, 1968) is the process by which individuals or social units increase the number of effective resources or assets that they have available to bring to bear on the problems confronting them. Mobilization can increase the availability of any of a variety of types of resources: (a) motivational resources, such as energy, drive, commitment, dedication, and determination; (b) cognitive resources, such as attentiveness, consciousness, information, memory, and intellectual and other more specific skills; (c) economic resources, such as manpower, tools, land, and capital; (d) organizational resources, such as leadership, division of labor and specialization of function, communication and coordination, and planning and evaluation; and (e) social resources, such as cohesion, trust, loyalty, and solidarity.

As Etzioni (1968) has pointed out, “major societal changes are propelled by small changes in the absolute level of mobilization because they constitute sharp increases in the relative level of energy available” (p. 398). Typically, the level of political mobilization is low in modern societies (e.g., only about a third of American adults know the name of their Congressman; even fewer actively participate in political organizations). Similarly, the level of economic mobilization is commonly low in modern societies (e.g., it has been established that by a more efficient and less wasteful use of energy, energy consumption in the United States could be reduced by more than one-third without a change in the standard of living).

What determines whether an individual or a group can mobilize itself to deal with a continuing crisis such as an economic crunch? Being prepared to mobilize, knowing where one’s unused resources are and how and when they can be used more effectively, and having practiced or rehearsed mobilizing one’s resources will facilitate an effective mobilization when it is required. Also, having confidence in one’s resources and in the possibility of amplifying them significantly through a process of mobilization will increase the likelihood of an effective mobilization.

Mobilization has costs in terms of discipline, self-denial, postponement of pleasures, and the like. These costs are not likely to be borne if one has little trust that others will cooperate and assume their responsibilities in the process of mobilization. If one knows that many are cheating and obtaining more rations than they are entitled to in a rationing program, it is difficult to withstand the temptation to cheat when it becomes possible for one to do so. Also, one will be less likely to conserve energy by driving below the 55-mph speed limit if one sees others disregarding it. The felt inequality of disciplining oneself and making sacrifices while others are perceived to be “taking advantage” of the situation undermines the cooperativeness necessary to an effective group mobilization. In contrast, the sense that the duties and obligations involved in the mobilization are being fairly shared enhances one’s commitment to it.

2.9. Participation in Decision Making

It seems reasonably well established that people who participate in making decisions that affect their lives are more likely to accept the decisions and to feel that they are just than if they have had no part in the decision-making process. Thus, a participatory decision-making process in response to an economic crunch is more likely to give rise to policies that are considered fair and is more apt to foster a cooperative process in relation to the issues involved. However, it is very difficult or impossible to have a meaningful participatory decision-making process as the size of the group expands beyond a certain point. This difficulty is enhanced in emergency situations that require quick decisions. These problems often lead to more centralization in decision making as organizations and communities grow in size; more centralization, in
turn, results in an increase in alienation and a decrease in the sense of cooperativeness.

How can one handle this dilemma for participatory decision making and cooperation that is created by size? No one really knows. There is, however, widespread agreement that "small is beautiful." But it is not yet clear how in a large world, with world-scale problems, the small units can be nested together into increasingly larger units so as to avoid the problems associated with remote, centralized decision making. Nevertheless, there seems to be an emerging consensus among utopian thinkers that as much decision making as possible should be placed in the hands of small, cooperative local units that are democratically controlled by the immediate members of the local unit—by the inhabitants of the local community, by the people working in a given institution—and that cooperative, regional federations of local units should coordinate activities of the local units to enable the economies of large-scale purchasing, production, and distribution. Similarly, cooperative national federations of regional units would coordinate the regional units. Ideally, the control of resources and of decision making would remain in the small, local units and would not move upward. There are, unfortunately, many factors conducive to the flow of power and decision making to centralized units. How to inhibit this flow while maintaining effective coordination and cooperation among smaller units is a problem that needs our most creative work. Social injustice is fostered by the accumulation of power and the control of resources in remote, central decision-making bodies, and it is also fostered by the inequalities of local communities, by their out-group prejudices, and by their ethnocentric neglect of larger, worldwide concerns.

3. CONCLUSION

In conclusion, I have advanced the thesis that the ability of an individual or a group to cope with an economic crunch is heavily dependent on the maintenance of self-esteem and group pride as well as on the strengthening of cooperative bonds. These are likely to be impaired if one thinks that the loss one experiences during an economic adversity is not being justly shared or distributed. In a situation of economic scarcity, it seems likely that the sense of justice is most likely to be satisfied by a distributive system that seeks to provide all or as many as possible with at least a humane, minimal level of goods. Such a distributive system is essentially a socially egalitarian system leavened by particularistic responses of local units to individual needs and situations. The advantage of such a distributive system during a period of economic hardship is that it not only promotes the sense of justice but also strengthens the ties of solidarity among the members of a community and enables them to function cohesively and productively in difficult circumstances. The resulting experience of participating in a cohesive, productive, solidary group enhances one's feeling of personal and social well-being; this may more than compensate for the economic losses that one has during a period of economic crunch. The kibbutzim in Israel have provided many notable examples of just such a process.

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REFERENCES