

# FREEDOM AND RESPONSIBILITY

**ELEMENTS OF AN ESSENTIAL DIALOGUE** 



## FREEDOM AND RESPONSIBILITY

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This research began in 2021 and is still ongoing. It is carried out in collaboration between the FNCC and Emmanuel PICAVET, University Professor (Applied Ethics), Director of the Centre for Contemporary Philosophy at the Sorbonne, in charge of international relations at the Bureau of the French Society of Philosophy and member of the Steering Committee of the International Federation of Philosophical Societies, and several students of the Philosophy Department of the University of Paris 1 Panthéon-Sorbonne.

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This report is the result of work carried out over the last three years by the FNCC and the philosophy department of Paris 1 Panthéon Sorbonne, based on the fundamental question of consumer cooperatives "What is a fair price?

Why this question? Cooperatives are constantly questioning their model and its place in our society in order to best meet the aspirations of citizens. This quest, which was intense until the middle of the 20th century, must now be based on our experience as consumers in a world that has become liberal and that has experienced growth, crises, and wars. We are sufficiently aware of the consequences, not to say the damage, of current practices that we cannot ignore the need to reexamine our economic models, starting from the daily life of our retail activity.

This question of the "right price" is indeed posed to each participant in the consumption process. Answering it cannot be simple and even less definitive. But the answer is necessarily based on these two intrinsically linked notions: freedom of enterprise for the producer or trader and freedom of choice for the consumer, and the responsibility of each towards the other.

Of course, the approach starts from the banal but essential act of consumer purchase, but the reflection it entails leads to the respective roles of freedom and responsibility in our societies. Many treatises exist on these subjects and most philosophers and economists have contributed to them. We propose below a few elements of these works so that everyone can, from where he or she stands, take advantage of them for the conduct of his or her affairs and make his or her own contribution to this founding dialogue.

We begin with Victor Hugo's strong interpellation, which is marked by his vigorous and clear words. Then we clarify, as far as possible, these two notions, illustrated by the contributions of a few philosophers who have left their mark on the world today, in relation to the theme that concerns us. At this point, the question of the economic model of our societies arises. In fact, for some years now, we have been experiencing a liberalism that some people have been constantly encouraging, while a growing number of people have been denouncing its excesses and dangers.

# Introduction

The history of cooperatives is one of a constant search for a balanced model between free creative initiative and collective action to ensure security in solidarity. They propose principles and rules that have shown their relevance for almost two centuries. This does not prevent us, on the contrary, from re-interrogating our models by drawing on the reflection and experience of recent decades.

Since the 1950s, our model of consumer society has been built on principles that are shared within Europe. Whether we like it or not, these principles are imposed on us on a daily basis, primarily through the doctrine of free competition which strictly governs economic relations in Europe.

This is why we looked at how the European treaties integrate these two notions of freedom and responsibility. The conclusions reveal some surprises... In parallel with this academic work, we sought to find out how the "man in the street" reacted to this question of his responsibility as a consumer and, therefore, as a citizen.

We have carried out a brief survey, but it has revealed a number of points of convergence among a good number of divergent opinions, and we invite you to take part in this study by sending us the questionnaire (see page 30).

Finally, in support of this brief and necessarily very incomplete and limited overview, we are making available on request (mission@fncc.coop) a research report giving a more detailed picture of the reflection.



## 1. Victor Hugo warns us!

Victor Hugo had already addressed this issue in 1876. Actes et paroles is a collection of speeches and political interventions made during his career as a parliamentarian and committed writer, published in four volumes from 1875 to 1885. Let us then begin this exploration with his words.

« [...] Anything that increases freedom increases responsibility. Nothing is more serious than to be free; freedom is heavy, and all the chains that it removes from the body, it adds to the conscience; in the conscience, the right is turned around and becomes duty. Let us be careful what we do; we live in demanding times. We are responsible for both what was and what will be. We have behind us what our fathers did and before us what our children will do. We owe our fathers an account of their tradition and our children an account of their journey. We must be the resolute continuators of the one and the prudent guides of the other. It would be childish to conceal from ourselves the fact that profound work is being done in human institutions and that social transformations are being prepared. Let us try to ensure that these transformations are calm and are accomplished, in what is called (wrongly, in my opinion) the upper and lower levels of society, with a fraternal feeling of mutual acceptance. Let us replace concussions with concessions. This is how civilisation advances. Progress is nothing other than a revolution made amicably.

Therefore, legislators and citizens, let us redouble our wisdom, that is, our benevolence. Let us heal the wounds, let us extinguish the animosities; by suppressing hatred we suppress war; let not one storm be our fault. Eighty-nine was a useful anger.

Ninety-three was a necessary fury, but there is no longer any use or necessity for violence; any acceleration of circulation would now be a disturbance; let us take away the reason for fury and anger; let us not allow any terrible ferment to fester.

It is already enough to enter into the unknown!

I am one of those who hope in this unknown, but
on condition that we mix into it from now on all the
pacification we can.

Let us act with the manly goodness of the strong. Let us consider what has been done and what remains to be done. Let us strive to reach where we must go; let us calm people by peace, men by fraternity, interests by equilibrium. Let us never forget that we are responsible for this last half of the nineteenth century, and that we "are placed between this great past, the revolution of France, and this great future, the revolution of Europe".

Paris, Jully 1876

Victor Hugo, Actes et Paroles, III, (XII), p. 54-56 "Anything that increases freedom increases responsibility. Nothing is more serious than to be free"

ÉDITION DÉFINITIVE D'APRÈS LES MANUSCRITS ORIGINAUX

ŒUVRES COMPLÈTES

DE

VICTOR HUGO

ACTES ET PAROLES

AVANT L'EXIL



PARIS

J. HETZEL & Cite A. A. 18, RUX JACOB P REE S

A. QUANTIN

1882



## 2. Clarifying the terms

What can be considered freedom? What is the relationship between this notion and responsibility? Do they coexist or can we imagine one without the other?

Freedom can be understood as the possibility to do what we want and not necessarily what others want of us. To be free is to act according to our will, to act without being forced to do so by alien pressure; this is precisely the complexity of the problem of freedom. Indeed, is it possible for a man to be considered free when we know the multiple factors that influence his life? Is responsibility not a consequence of freedom?

An analysis of the conditions of the possibility of freedom will allow us to lay down some markers for examining, in a circumstantial manner, the link that can exist in practice between freedom and responsibility. But first of all, we need to clarify the concept of freedom and responsibility.

#### Freedom

In common sense, to be free is to do what you want, where you want, how you want, when you want. It is the absence of constraint that is at the heart of the concept and the common ways of applying it. Etymologically, however, 'freedom' comes from the Latin libertas, which refers to the condition of the free man. This may remind us that freedom also has a decisive relationship with the state of a person or a people who are not under constraint, since the absence of constraint cannot be reduced to the process involved in a specific action, and always also concerns what one might have wanted. In fact, states of submission or servitude are directly contrary to freedom, whether it be in relation to another person, to a tyrannical power, or to a foreign power.

Freedom is naturally implied in the possibility of being able to act according to one's own will within a political or social system, as long as one does not infringe on the rights of others and public safety.

#### Responsibility

From the Latin respondere, 'responsibility' in our language means to answer for one's actions, to stand surety for something and to assume one's promises; it can involve, when we are in a legal register, the obligation to repair a damage or, if necessary, to face a sanction. In a purely moral register, it refers to a way of situating oneself before one's conscience, and in a way that can cover intentions as well as actions.

#### **Related concepts**

When we think about the notion of freedom, it often leads to considerations of guilt and responsibility. Generally speaking, the person who has committed a fault, the one who is recognised as the author of a reprehensible act, is considered 'guilty! While it may be tempting to consider the perpetrator of wrongdoing

as being responsible from the outset, on reflection it will be seen that responsibility presupposes freedom above all. Someone is said to be responsible for an act when he can answer for it, when he/she is the conscious author, i.e. the voluntary cause: fully aware of the ins and outs, he/she voluntarily and freely chooses one or other of the available options.

It is clear that responsibility, in this case, presupposes freedom and awareness. The free man is the one who acts in full knowledge of the facts. Modern justice is based on this idea of responsibility. This is why, when it comes to the assessment of the acts of which an individual is accused, there are generally two contradictory arguments, one which shows that it is a guilty act worthy of punishment, and the other which is the position generally defended by the lawyer, which argues that the accused could not have failed to act as he did (because of extraordinary constraints), or did not act in a considered manner, or was not well informed about the scope of his act, etc. It is in this adversarial debate that one must rule with maximum objectivity on the responsibility or otherwise of the accused.

# 3. Responsability: at the individual level...

Let us consider responsibility from an objective, purely individual perspective. Is not being responsible for oneself? Is it not to be responsible for one's own actions? But how can we answer for the actions of others, for their problems?

It is not easy to answer these questions, since in society, the actions of one person and the actions of another are intertwined, and the sanction is always collective (although it may concern only a few people). By referring to social cohesion or solidarity between members of the community, certain currents of thought in philosophy or sociology can lead to the idea that individuals are responsible for the acts of any member of the social group to which they belong.

Jean-Paul Sartre wanted to show that every act we perform commits us and others. We cannot then limit responsibility to strict individuality without betraying our duty to others. The act of the singular person commits the world; the acts of others, therefore, commit us personally. However, we may wish (like Iris Marion Young) to weaken the link between responsibility and guilt and to seek forms of responsibility adapted to the interdependencies that exist in societies and on an international scale.

Taking inspiration from the philosopher Emmanuel Levinas, one could admit that the highest freedom is the one that, before any decision, bears the responsibility for the other. Freedom is then understood as a responsibility and cannot therefore be understood without respect for the rights of the other. The recognition of the human in the other, leading, as Kant emphasised, to the exclusion of treating the other only as a means, engages responsibility in any

case. It is through this responsibility that subjectivity is fully realised. As Dostoyevsky, whom Levinas likes to quote, says: "we are all responsible for everything and everyone, and I more than the others".

The principle of responsibility and the way it can be attributed is a difficult process. In reflecting on responsibility as it evolves in the process of economic globalisation, José Alvares Sanchez, in a recent doctoral thesis, has discerned three criteria for the attribution of responsibility.

First, the individual must be able to be recognised as a moral agent, endowed with the capacity to formulate a notion of the good and to act according to it, and presumed to be rational.

Second, his action must be clearly causally related to the effects being evaluated and, indeed, his action must be deemed essential to the occurrence of the effect in question.

Finally, he must have the choice to act otherwise at the time he performs his action. This takes into account not only the individual's involvement in a causal chain, but also the individual's status as a free and rational agent.

More generally, the responsibility of the individual can be understood as a corollary of his freedom. A priori, the attribution of responsibility will therefore depend on the definition given to the principle of freedom, and on the real possibilities of appropriation of the action and its effects by the agent.

# ...or in the collective effort?

"This concept has two dimensions. First, it means that individuality is a task, a project rather than a state: the task of making oneself. Secondly, it implies that this self-creation necessarily needs the help of others: the individual is a social being. (John Stuart Mill, On Liberty, 1859).

This is the social phenomenon that Durkheim describes in terms of 'organicity', and it clearly shows the necessity of respecting individuality in order to establish solidarity between individualities. The principles of classical liberalism envisage responsibility as a consequence of the fair respect of individual liberties. The principles of classical liberalism envisage responsibility as a consequence of the fair respect of individual liberties. Thus the emphasis is on the individual and on the responsibility that obliges him or her toward others. In such a context, how can the individual apprehend a notion such as collective responsibility?

Doctrines of social justice based on the recognition of individual autonomy and the free choice of ends, such as that of John Rawls, shed light on the rational adoption of common principles. The establishment of just principles of social cooperation, allowing each person to see themselves as treated as an end in themselves in society (while incorporating the constraints on social organisation into the thinking), then creates collective responsibility.

Within the framework of the principles that govern a given society, however imperfect, there is also a collective responsibility that arises from joint efforts and initiatives undertaken on the basis of roles assigned to the different parties. On this scale, the principle of responsibility is always ultimately about

individuals. If responsibility for an action is attributed to an agent, he or she must be able to feel effectively responsible for the action concerned and for the conditions of its insertion into collective life and common efforts, otherwise, he or she would feel that he or she was the object of a serious injustice.

It seems that it is more relevant than ever to evoke such a principle of collective responsibility. Firstly, because the collective has taken on a new dimension today, in the context of globalisation of economic exchanges and the creation of world markets. The economic interdependence of states is more evident than ever. There is also a growing awareness of our condition of sharing a vessel "Earth", to borrow an image from a book by the economist Kenneth Boulding in 1966: environmental responsibility, which is a forward-looking responsibility since it looks to the future, brings together people and more generally living beings in the face of necessarily common challenges. It obliges us to respond to the future by thinking about our actions in the present.

Hans Jonas, in The Imperative of Responsibility, helped to address this forward-looking collective responsibility of humanity and to make the environmental object a primary issue in approaches to responsibility on a global scale. International cooperation seems more necessary than ever; however, conflicts or tensions between different powers crystallise real and future tensions over resources.





A distinction should be made between collective and shared responsibility, which can be defined as follows:

"Shared responsibility is the view that all members of a group share responsibility or praise for the actions of the group in the blameworthiness or praiseworthiness of a group's actions. Collective responsibility is the idea that the group is the recipient of moral praise or blame without all group members being responsible or equally responsible" (Marion Smiley, "Collective Responsibility", Stanford Encyclopedia of Philosophy, 2022)

In fact, the distinction between the two is sometimes fine; it is part of the process of attributing responsibility by checking the causal chain between actions. However, in social matters, this causal chain is not necessarily conscious for the individual (or for sub-groups of society) because of limitations in the understanding of the aggregation effects of conduct, and consequently of other limitations in the knowledge of the natural and social world and in statistical knowledge.

For example, an individual is not necessarily aware of the processes that lead to the products and prices he or she is offered: can he or she be held responsible for effects of which he or she has no knowledge? When we talk about responsibility, we expect the individual to be aware of the effects of his action. Thus, in order to speak of an individual's

of his or her own impact on the environment. Since this is not a prerequisite for all individuals, it seems difficult to speak of shared responsibility for good or bad environmental outcomes.

However, these outcomes can lead to blame or praise for the regression or progress of the collective (society as a whole) as they are the result of each other's actions, and as individuals' knowledge could be broader if they paid more attention to the problems faced by the collective, there is a certain 'sharing' of involvement in the production of these outcomes, even if one is naturally reluctant to talk about shared responsibility.

**E**conomists tend to reduce the freedom of individuals to freedom of choice, but real freedom is not only freedom of choice but also freedom of action, i.e. it is directly relative to the power that an individual has over others or that others have over him. The responsibility of each individual thus depends on the real freedom he or she has at the moment of action. It would be a mistake to consider this freedom only in relation to the freedom of choice established or reinforced by the economic and political structure.

It is therefore by reaffirming the definition of freedom as the absence of oppression that we can defend an economy of the responsible person on the basis of a sufficiently broad definition of oppression, which takes into account the real power relations between people. Only then can the holders of real power in society be seen to have responsibility for systemic forms of oppression experienced by certain categories of people (e.g. people most at risk of poor quality food due to tight budget constraints, people forced to live in degraded or unsafe environments due to housing shortages leading to high prices in safer residential areas, etc.).

Therefore, it can be argued that a person who is free from any form of constraint can fully assume his or her choices and their consequences. This can only make them more responsible for their choices.

From this point of view, the freedom of the individual does not lie in the absence of responsibility but in the management of his or her responsibilities. However, it is also necessary to question the responsibility of one person to another and the power relationships between different groups of individuals. In a socio-economic world marked by the globalisation of economic systems, the practical translation of the concern for responsibility often takes the form of a posteriori regulation of spontaneous exchanges by norms, ideally on an international scale. There is an element of social construction in the identification of people as responsible for their actions.

In this process, it is certainly necessary to take into account the common irrationalities, from which we are not all immune, or not always. The reflection must try to consider the individual in the social fabric in which he or she participates and which in turn participates in the constitution of this individual's capacities. This can strengthen the link between individual freedom and responsibility, in a reference to an individual who understands that he/she intervenes in a system of interdependencies, and who wishes to act accordingly. Giving back to the individual the possibility of claiming responsibility is to give him or her back real freedom, in this sense.

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In a narrow understanding of freedom of choice, libertarian and neo-liberal ideologies have often sought to promote a free initiative centered on separate roles: the entrepreneur and the consumer in particular. However, the individual is not Robinson Crusoe, in general. Social interdependencies are at the heart of the free initiative. The guarantee of freedom, on the other hand, cannot be reduced to the accumulation of restrictive rules weighing on "others". and therefore also on oneself if the law is the same for all. The principle of the free economic and civic initiative must lead to a concern for opening up new possibilities for all. The structural inability to provide the same freedom for everyone is a failure, as it limits the real choices in society.

It is possible that liberalism is indeed moving towards an (urgent) reconsideration of its principle of freedom, or rather towards a redefinition of it, through a better understanding of the importance of the interdependence that binds people together. This is undoubtedly illustrated, to a certain degree, by the rise of the issues of Corporate Social Responsibility (CSR), Socially Responsible Investment (SRI), Impact Investing, the 'mission' of companies (in the terms of the PACTE law in France, for example), fair trade, etc.

The Social and Solidarity Economy, one of the pillars of the modern economy, anticipated this evolution and continues to bear witness to the importance, at the heart of economic life, of involvement in approaches marked by an awareness of interdependence and by values of solidarity. Since it is not always easy or appropriate to postulate the endorsement of principles by all individuals, the study of the principle of responsibility gains by focusing on the norms that organise the support of institutions to each other and their agreement on the models of society to be promoted.

From the point of view of the individual, the faculty of resistance is not to be neglected. It bears witness to the voluntary assumption of responsibility in the face of developments that are sometimes described as inescapable and which are not. However - and we must insist on this point - this ability to resist often offers only an incomplete solution. Above all, it is necessary to rethink the principle of responsibility at the level of institutions, particularly international institutions where cross-border issues are concerned. One must redefine the issues of responsibility and try to better understand the real capacities of socioeconomic agents in terms of their impact on the world to which they belong.

How can this theoretical approach to the two concepts - freedom and responsibility - be translated into our modern society? How can we use this frame of reference to examine whether there is any relevance to the concept of a 'fair price' for products, for example?



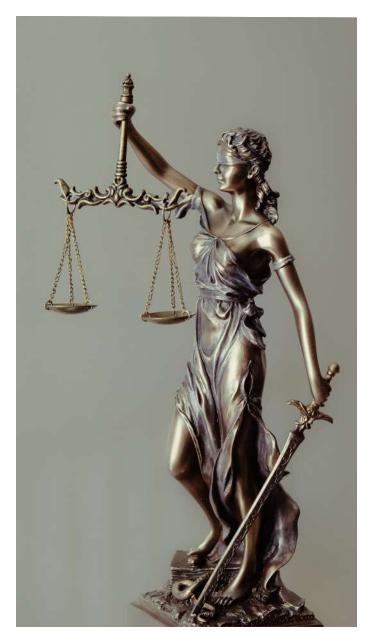
# 6. What is a fair price?

#### 1. Two thousand five hundred years of debate

The notion of a fair price has been a part of the thinking on the economic organisation of our societies since their origins, via Aristotle, Thomas Aquinas and the cohort of economists of the last two centuries. In fact, it is one of the sources of cooperative thinking and never ceases to feed, more or less explicitly, our debates.

It is therefore illusory to claim to have a stable definition and, even more so, formulas for calculating a fair price. Experiments with prices that are supposed to be such and fixed by legal decisions regularly cause disorder and provoke just as much debate. This is a major source of reflection for the first economists as early as the 16th century.

In our hyper-consuming societies, this notion is nevertheless at the heart of exchanges and it is striking to see how modest the debates on this subject remain in relation to the stakes. On the other hand, the growing complexity of value chains in a globalised economy requires us to revisit this question from ever wider angles. We are therefore regularly called upon to revisit this subject.



## 2. The notion of justice has evolved beyond the law

Especially since the end of the 19th century, the habit of treating prices simply as factual data resulting from the meeting of supply and demand has shifted normative thinking (about value judgments and, for example, about what is 'fair' in the sense of justice or rightness) to other basic elements of economic life, such as the sharing of income, taxes, social rights, access to public services or the owners of capital. Price has thus become a rather objective notion and questioning its 'fairness' has lost its meaning.

In order to discuss laws, it is important to remember that the law can be unjust (in the moral sense) and, conversely, that it is rare today to equate 'justice' with mere respect for the law. It is usual to consider as just things that go beyond what the law makes exigible (for example, with a view to a more satisfactory consideration of solidarity), or even considerations that invite to change the law.

## 3. The point of view of consumer cooperatives

When Charles Gide revisited these issues in a conference entitled "Justice and Charity" in 1899, he reminded us of the links between "just" decisions in the sense of respect for the rules of law and expectations of solidarity (or charity, depending on one's references). And the two principles are never fully satisfied, with this permanent dynamic that brings into the law what appears to be an expectation of solidarity widely enough to be voted.

The specificity of consumer cooperatives is that they consider the role of the consumer to be just as decisive in the economic exchange as that of the producer or the trader. The consumer's freedom of choice is recognised, and arbitrated by his or her own value system and not necessarily by the search for the lowest price. In concrete terms, and quite schematically, the problem of the fair price for the consumer has been reversed over the last thirty years. During the expansion phase of European consumer cooperatives, talking about fair prices meant looking for prices lower than those of the "capitalist" market. The aim was to return to the consumer part of the extra profits made upstream in the value chain.

However, the opening up of European markets to products from all over the world and the emergence of new forms of production and distribution, including hard-discount stores and internet platforms, have inverted the scale of values by avoiding the integration of these social and environmental protection costs, which are considered legitimate in EU countries, into prices. Thus, a "fair price" for fair trade and cooperative trade corresponds today to a price higher than the market price. This reversal is not without questions of acceptability for consumers, who no longer derive a tangible economic return from their cooperative membership, quite the contrary.

In this first phase of expansion, the notion of justice conveniently supported the interests of the consumer, and referring to the correct application of the economic rules of the market finally satisfied both the supporters of the cooperative thesis and the partisans of classical liberalism. The debate on fair price took a back seat to the techniques of economic analysis that many hoped would objectify the vigorous debates of earlier periods.

In addition to this remark on the acceptability of a price higher than that of a strict market, there are numerous technical debates on the differences between the price index and the deflator, to which we return below.

#### 5. THE PRICE OF FREEDOM?

### 4. Does a fair price have to meet a moral standard?

In a 2013 thesis, Delphine Pouchain (1) provides a detailed analysis of the parallel between the questions raised by fair trade, which must convince consumers to pay more by virtue of the "fair price", and the questions to which the scholasticism of Thomas Aquinas was trying to answer almost eight centuries earlier.

She reminds us that economic exchange, if it ultimately results in an agreement on 'the thing and the price', first requires a relationship between the parties that responds to their own vision of morality and justice. This is how societies before the advent of liberalism conceived the economy. And this is one of the reasons why classical economists sought to establish rational rules for a 'science of economics' that was disconnected from moral considerations. However, many observers have pointed out that moral considerations and the value systems of their authors animate many economic theories in the background.

It is worth noting that, in the case of Fair Trade, it is clear that the reshaping of "relationships" also brings about an evolution in the "things" that are accessible (new varieties of chocolate, coffee, etc., with also new packaging, new ways of communicating with the consumer, etc.). There is no obvious "loss" from the higher price since what is being bought is actually a bit different.

This consideration is in line with the position of public accountants, INSEE or others, who analyse, on the one hand, price indices for baskets of strictly comparable products and, on the other hand, deflators that reflect the evolution of the price of a set of measured quantities. The difference lies in the fact that the basket of products is rarely constant between two periods: qualitative changes in products, substitution by the consumer, new products, different needs from one consumer to another, etc.

It is as old as trade to claim that a product differs from its competitor by objective or subjective qualities, primarily in order to justify a higher price. The measurement of inflation and purchasing power remains a complex matter.

## 5. The contribution of the concepts of externalities and impact

Since the 1960s in Europe, economic thinking has sought to integrate factors other than the classic labor/capital pairing in the construction of its analytical tools. Broadly speaking, two successive approaches can be distinguished.

The first approach identified externalities (environment and social expectations) and gave them an essential role in the 'fair' remuneration of production factors. Initiated in the 1920s, it took almost a century for these considerations, accepted by most economists, to be shared by most economic and political actors. The setbacks caused by the carbon tax shows that public opinion still requires education on these subjects.

It now remains for them to be incorporated into the economic decisions of the players, both companies and consumers. This approach to internalisation, which is powerful because of its openness, remains very traditional insofar as it enriches and therefore reinforces the mechanics of price formation through market competition. This remark applies mainly in the context of the consumer goods market. For other markets (especially those involving public actors) this remark is less appropriate. The principle is to oblige companies to calculate their prices by integrating these costs, if necessary, and generally by resorting to taxation or customs tariffs.

In this way, since all producers have the same constraint aimed at a fairer price with regard to social and environmental consequences, the consumer's choice will be made on the basis of his usual criteria, generally the lowest price, but will in fact respect a certain idea of "justice".

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The limits of this approach lie in the great difficulty of monetising externalities in order to integrate them through taxation and to generalise this internalisation to all actors, including those based outside the market area. More recently, the notion of the impact of companies and organisations is intended to go beyond the approach of internalising identified externalities in prices". This concept allows us to take a fresh look at the responsibility of the company towards its social and natural environment and all its stakeholders" (2). The seven principles are 1. accountability of the organisation to society; 2. transparency; 3. ethical behavior; 4. recognition of stakeholders' interests; 5. respect for legality; 6. respect for international standards of behavior; 7. respect for human rights.

This notion of impact is becoming increasingly important in the public debate, both in France and in OECD countries. The principle of these impact analyses is to encourage, or even oblige, companies to assess, explain and reduce their social and environmental impacts.

We note, however, that these approaches are initially limited at least to large companies and public bodies, without taking into account small structures or consumers.

One may wonder what justifies, in the sense of market logic, this consideration of "corporate responsibility". Is the justification of this notion based on moral notions, certainly objectified by multiple observations? What impact does it have on entrepreneurial freedom? Why limit it to "big" companies?

Do consumer decisions have no impact of their own? Does the notion of impact take into account the objective of consumption growth? How does it fit into European competition rules? How does it fit in with WTO rules governing international trade? How does it integrate the expectations of capital markets, beyond the goodwill of certain shareholders?

#### 6. Fair Price or Responsible Price?

Since we are wondering about the role of the consumer - and therefore of his cooperatives - in the logic of constructing a fair price that is not dictated solely by moral considerations, we feel it is necessary to recall the intrinsic link between freedom (to undertake for the producer, to trade for the seller and to choose for the consumer) and the responsibility of each of these actors in this market game.

#### 5. THE PRICE OF FREEDOM?

It is this 'responsible' concern to maintain a market in the long term so that it satisfies the expectations of each player that makes it possible to establish effective and 'fair' rules. Don't the principles and expectations of all players logically generate these rules?

Again, this does not imply any moral judgement on the choices that each consumer's responsibility will lead him or her to make. It must be understood that their values or preferences do not automatically reflect those that are dominant in CSR movements or in the minds of legislators.

To quote Charles Gide on this subject: "Of all the characters who appear on the economic scene, the consumer is the least sympathetic in many respects, by his selfishness, by the ignorance of his true interests, by his way of always doing what he should not do and never doing what he should do" (Charles Gide Oeuvres, VII, p 274.)

The approach linked to the notion of impact, as we have just seen, raises this question, both by broadening it to areas hitherto little taken into consideration and by restricting it to a few actors. Taking into account a global principle of responsibility, which mirrors that of the freedom of actors, should make it possible to extend the reflection that motivates the notion of impact to all market participants.

#### 7. Does the EU have a vision of the right price?

We wanted to re-examine from this perspective the steps in the construction by the EU of the organisational principles behind what remains basically a Common Market. This re-reading is even more essential as it is the European Union that effectively lays down the numerous rules of the competition that govern our economic decisions. We will devote the next chapter to this.

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(1). Pouchain Delphine, 1er avril 2016, Commerce équitable : comment penser le prix juste ?Alternatives Économiques

(2). Rapport Impact (s) Responsabilité et performance globale, février 2023, France Stratégie



# 7. The European Union: what directions?

How can this theoretical approach to the two concepts - freedom and responsibility - be translated into our modern society? How can we use this framework to examine whether the concept of 'fair price' in retailing really exists?

#### IS THERE A "FAIR PRICE" TODAY?

Institutions, such as the European Union, influence the 'market' and its rules of play. They, therefore, play an important role in exploring what to expect from price coordination in societies that mobilise so-called 'market' mechanisms. However, the main international economic agreements and the European Union Treaty privilege the concept of freedom as the basis of the economic system.



The structure of the treaties is the preliminary basis for any cross-cutting analysis: it is possible to separate two families of treaties, which also correspond to two periods of European integration, first with 6 then with 12, and extended to 28 after Lisbon.

The second stage summarises a comparative survey, the aim of which was to see how Europe, which is 'liberal' in its orientations, mobilises the notion of responsibility in order to face and prevent the challenges of today's and tomorrow's world.

In this respect, the results of our survey reveal a 'responsibility taboo,' contrasting with the omnipresence of the reference to freedom. The rare occurrences of the word "responsibility" reinforce a clear opposition between individual freedom and institutional responsibility, which may lead one to think that responsibility is not fully at home at the infra-institutional level.

The notion was introduced in the draft Preamble of the 2004 Convention, but was left out of the final draft. Finally, Europe has written an admirable Charter of Fundamental Rights, which emphasises rights more than duties, and one may obviously wonder whether this approach is sufficient.

A chronological reading of the European treaties, in particular the Preambles, reveals the deep convictions that have animated European actors for over 60 years.



# WHAT IS FREEDOM AS UNDERSTOOD BY EUROPEAN ACTORS?

It is mainly freedom of choice: a person is free if he or she has several opportunities from which to choose; the European institutions have an obligation to increase the number of possibilities offered to individuals, but also a qualitative diversity between these possible choices, while informing the individual of these possibilities. For example, the Erasmus program, the promotion of learning abroad, and the encouragement of mobility, all go in the direction of increasing personal freedom of choice.

In the treaties, the word freedom refers to individuals, not governments. The freedom of action of governments, placed under the authority of the Community and then the Union, is defined by a list of 'competencies'.

## HOW IS FREEDOM PRESENT IN THE TREATIES?

In the Treaty of Rome, freedom, like peace, is a value that guides the Community's action. It is included in the Preamble on several occasions as a supreme value. The liberalisation of trade and mobility are presented as prerequisites for the freedom of Europeans.

From the Maastricht Treaty onwards, the tone has changed significantly. Freedom and the achievements of the community must "be defended": the Treaty of Rome is "offensive" and the Treaty of Maastricht is rather "defensive": even if the European community can continue to develop opportunities and programmes for people, the treaty considers that the freedom of European citizens is already real, around a set of rights to be defended.

# Freedom: the European Community in the service of individual freedom

The omnipresence of the word "freedom" contrasts with the relative absence of the word "responsibility". Yet the two terms are inseparable. Similarly, the Maastricht Treaty institutes "European citizenship, with its rights and duties", but only the rights of the European citizen have been rigorously defined in the Charter of Fundamental Rights, whereas responsibility involves duties that can be imagined as such at the time of acting.

In the presentation of moral principles of reference, it is not irrelevant whether one favours rights or duties, whatever the background correlation between rights and duties, which is that it is by imposing duties (e.g. the duty to refrain from interfering with the commercial initiatives of others) that one concretises rights (e.g. the right to free commercial initiative).

# Responsibility: forgotten or dismissed? Do we detect a taboo on responsibility in the treaties?

In the Treaty of Rome there are three identifiable elements that are of particular interest to us:

- (a) the EEC's legal personality makes it responsible for preventing and compensating for the damage caused by trade and territorial liberalization
- (b) contractual liability
- (c) governments are responsible for their fiscal policy

In the Maastricht Treaty there are four elements of particular relevance:

- (a) the responsibility of the European institutions to respect the rights of members and citizens
- (b) the principle of subsidiarity
- (c) environmental and fiscal responsibility
- (d) the legal personality of the European Central Bank

#### BUT

In the draft European Constitution (2004), the term "responsibility" is left out. Admittedly, it includes a preamble in which there is a link between freedom and responsibility:

"Europe offers the best opportunities to pursue, with respect for the rights of each individual and with an awareness of their responsibility towards future generations and the planet, the great adventure which makes it a privileged space of human hope".

In the Lisbon Treaty, we see an almost complete repetition of the Preamble of the unratified draft Constitutional Treaty, with the exception of the sentence quoted which introduced the notion of responsibility.

#### WHY THIS OVERSIGHT?

Would the dogma of competition in the EU have evolved differently over the last 20 years with this Constitution? If the future European treaty were to include in its preamble this formulation of the link between freedom and responsibility of the actors, would this lead to greater harmony and efficiency in our economic relations?

Would competition policy be dramatically affected or would it, on the contrary, gain in readability and coherence?

# Questionnaire:



You can send us the completed paper questionnaire to the following address:

Fédération Nationale des

Coopératives de Consommateurs (FNCC)

76 rue Saint Lazare, Paris, 75009, France

# Can we think of freedom without responsibility?

This question crystallises many contemporary problems. Today, when economic freedom, freedom of action and freedom of choice seem to be more within our reach than ever before, it has become crucial to establish more clearly what individual responsibility is. It is equally crucial to question the process of constituting the ethical norms that govern our society to be functional and sustainable.

As part of a research project by the Fédération Nationale des Coopératives de Consommateurs and a professor and students of Philosophy at the University of Paris 1 Panthéon-Sorbonne, we are therefore conducting a survey of existing opinions on consumer behaviour, particularly with regard to their views on the concepts of Freedom and Responsibility.

You now have the opportunity to answer the questions as well. Fill in the attached questionnaire and compare your answers with those already given. You also have the possibility to send us the questionnaire, representing your organisation. In this way, you can help the FNCC to continue to update its results, by including more and more organisations in the responses.

## USE THE QR CODE\* TO ACCESS THE ONLINE QUESTIONNAIRE:



**IN ENGLISH** 

\*For those who prefer traditional means, we can send it on request (mission@fncc.coop).



## 9. A brief analysis...

The approach was initiated by consumer cooperatives, which were born almost two centuries ago from questions about a better model of society by promoting the search for a "fair price" which, initiated by market mechanisms, makes it possible to limit the defects. The issue is far from being extinguished today, on the contrary, with the protection of our environment coming to the fore at the heart of the reflection on a fairer and more sustainable model of society, without neglecting the purchasing power or remuneration of producers, processors or distributors.

More than eighty people, with very different profiles in terms of age and background, responded to this detailed and demanding questionnaire. The aim was not to conduct a sociological analysis but to identify points of convergence in opinions and, on the contrary, points of divergence. The diversity of opinions allows us to identify agreements and disagreements and to give them a broader scope.

#### FIRST OBSERVATION

The notion of justice is not explicit in the traditional cooperative principles, although it permeates their thinking. Yet it is clearly this need for justice that is at the top of the list of expectations.

#### SECOND OBSERVATION

The notion of solidarity, often put forward within our cooperatives, raises an ambiguity because it is not clear who is in solidarity with whom.

## 150 YEARS OF CONSUMER COOPERATIVES

The perceived feeling about consumer cooperatives in France is one of failure, for 68%. To this result, we can find two kinds of causes. Firstly, competition from other forms of trade and secondly economic reasons. In no case is it because of the cooperative principles themselves.

Two points are clearly under debate: the fickleness of the consumer towards his or her cooperative and whether or not it plays a real role, and the size of a cooperative. Some see salvation in small structures while others consider that it is their too small size that has led to their downfall. Finally, the measurement of the fair price would deserve a specific development, which would make room for its many components.

#### **OUR SOCIOECONOMIC SYSTEM**

On the nature of our socio-economic system, we can observe a pluralist view: it appears alternately ultra-liberal, liberal, social-liberal and pluralist or ordo-liberal. Very little is social and even less collectivist. One may wonder about the definition of each of these terms.

However, the responses confirm the predominant role of individual freedom in the principles put forward in our system. This role is reinforced by individualism, competition and competitiveness. Fraternity, trust and the social contract are the least cited, and the temporal inconsistency of capitalism is emphasised by some.

#### AN ALTERNATIVE?

After this static observation, the justification of the search for an alternative to pure liberalism leads to varied and debated answers. The capitalist model is judged to be inegalitarian and globally inefficient, which is enough, for a majority, to condemn it. Some voices, however, consider it to be efficient, which does not mean that it suits their vision of society, but rather that it is recognised as having the capacity to create wealth. Similarly, the historical question of the internal contradictions of capitalism, and questions about the vagaries of life or about inequality, continue to provoke intense debate.

#### THE RISKS?

The perceived risks associated with the current system are first of all social, then ecological. There is a mention of the notion of trust, which should be linked to social risk or the social contract. But beyond the social risk, opinions are divided, including on the potential collapse of the current system. Health risk is timidly appearing in the landscape of concerns. The responses show that the principles underpinning a fairer economy are more equality, individual responsibility, and state regulation.

#### **DIVIDED OPINIONS**

Do we need a change in the structures of society? Opinions are very divided on the subject of protectionism, and it is clear that the subject is divisive. But also about the notion of the local economy. Moreover, if the perspective of "more state" is present, it is associated with the problem of the "virtuous" character of the state.



#### WHAT IS FREEDOM?

There is great heterogeneity in the answers to this question. The majority answer that freedom is "the reasoned understanding of one's own interest through the pursuit of the common interest, followed by the ability to achieve one's life goals and the assurance of security".

This result is rather surprising. Indeed, there is almost nothing in these three elements that is consistent with standard approaches to freedom. The last two elements can only be considered, from a classical point of view, as important conditions for the development of freedom.

Discordant opinions are expressed, with some not hesitating to speak of illusion, free will, or even infinite freedom. On the other hand, there is a remarkable convergence of personal feelings leading to high marks being given to the importance of everyday freedoms and freedoms in the long term. The fact that the respondents do not find themselves in a classical conception of freedom but that they recognise that they fully enjoy this same freedom is a priori contradictory. However, inconsistencies between opinion and behaviour are common in various areas, including consumption.

There is a certain consensus on the obstacles to freedom, which are mainly assimilated to structural constraints and mental barriers. The link between individual and collective freedom is debated in the diversity of responses. The same applies to the role of democracy in the expression of freedom. Here the majority trend gives way to more nuanced answers based on field experiences.

#### WHAT IS RESPONSIBILITY?

In contrast to freedom, the consensus is quite clear on the subject of responsibility. Answers concerning the responsibility of individuals towards themselves, their relatives and the community scored above 8/10, as did answers concerning the responsibility of the community towards individuals. The same applies to the relevance of collective responsibility in a democracy, which is not much discussed. Some, however, call it a sham. The harmony ends when one asks what the source of responsibility is.

# THERE WILL BE TIME TO RETURN TO THIS IN OUR FUTURE WORK, WHICH WE WILL BE PLEASED TO SHARE WITH YOU.

The same consensus applies to the role attributed to associations and cooperatives, which should emphasise the responsibility of their members. This is a key point that raises questions despite this consensus.

In the responses to the question about which institutions take responsibility, cooperatives score highest, ahead of associations. Multinationals, financial institutions and political parties scored the lowest. However, we must remain lucid in the face of these results, which in no way mask the shortcomings of our structures and need to be substantiated.

Finally, the score for the question on collective freedom, which goes beyond the sum of individual freedoms, reflects an appreciation of the faculties we have in common and which we do not possess alone. The processing of individual responses to a rather demanding questionnaire shows that some respondents find it difficult to maintain consistency in their overall responses.

## ULTIMATELY, WHAT IS THE LINK BETWEEN FREEDOM AND RESPONSIBILITY?

With the exception of a few doubters, there is unanimity in establishing a clear link between the two concepts. This has the merit of facilitating the analysis, but the objections deserve to be examined closely.

The notion of responsibility seems essential for thinking about freedom. Responsibility is meaningless if one does not have the means to exercise it. The question on the presence of freedom in the justification of economic attitudes is divided between Too much and Enough, confirming the previous remarks on the predominance of freedom in our society. Mirroring the answers to the previous question on freedom, responsibility appears to be a principle that is relevant first and foremost at the individual level for thinking about economic behaviour, before the levels of the company, the State or the association.

The demand for the notion of responsibility in our economic system is the central question of the study. The answers given show that responsibility appears to be essential to the sustainable functioning of our society, with almost 8/10. On the other hand, the question of collective responsibility is one of the least consensual, with strong opinions in one direction or the other and nuanced opinions. When it comes to the implementation of our individual responsibility, however, there is a consensus.

And for you?

What is freedom and responsibility?