What We Owe to the Global Poor

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1. Introduction

In September 2000, the U.N. General Assembly committed governments to eradicating extreme poverty.[1] Endorsing several specific development goals, this historical document was called the *Millennium Declaration*, and has since become a reference point for development efforts across the globe. Two years later, the High-Level Panel on Financing for Development, charged with exploring possibilities for financing these goals, submitted its report, known as the Zedillo Report (after its chairman, former Mexican President Ernesto Zedillo). Its first recommendation was that

> [e]very developing country needs to set its economic fundamentals in order. No country can expect to achieve equitable growth, or to meet the International Development Goals,[2] unless it focuses on building effective domestic institutions and adopting sound policies including: Governance that is based on participation and the rule of law, with a strong focus on combating corruption; disciplined macroeconomic policies; a public expenditure profile that gives priority to investment in human capital, especially basic education and health, the rural sector, and women; a financial

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[2] The Millennium Goals (to be reached by 2015) are: to cut in half the proportion of people living in extreme poverty; to achieve universal primary education and gender equality in education; to accomplish a three-fourths decline in maternal mortality and a two-thirds decline in mortality among children under five; to reverse the spread of HIV/AIDS and to assist AIDS orphans; to improve the lives of 100 million slum dwellers. Cf. U.N. site for a progress report: http://www.un.org/millenniumgoals/index.html. For the Zedillo report, cf. http://www.un.org/reports/financing/.

> system that intermediates savings to those capable of investing efficiently, including microfinance borrowers, women, and the rural sector; a funded, defined-contribution pension system that will promote saving in the short run and, supplemented by a tax-financed scheme to assure a minimum pension, will secure adequate, universal pensions in the long run; capacity building focused on developing a positive institutional environment progressively more able to implement the policies listed above; protection of property rights and a regulatory environment that effectively protects workers rights and the environment.

So before making any other recommendations, the report stressed the importance of domestic institutions for economic growth (while at the same time also giving us an excellent account of what institutions the commission thought counted most).

Emphasis on institutions also appears in John Rawls's 1999 *Law of Peoples* (LP). Rawls insists (p 108) that

> the causes of the wealth of a people and the forms it takes lie in their political culture and in the religious, philosophical, and moral traditions that support the basic structure of their political and social institutions, as well as in the industriousness and cooperative talents of its members, all supported by their political virtues. I would further conjecture that there is no society anywhere in the world – except for marginal cases – with resources so scarce that it could not, were it reasonably and rationally organized and governed, become well-ordered.

Based on this view, Rawls rejects redistributive duties among peoples beyond duties of assistance to "burdened" societies, non-aggressive societies lacking appropriate traditions, resources, or technology. That duty seeks to enable societies to develop their own institutions and thus shape their development. Such duties may well be daunting: one cannot easily "assist" others with institution-building, and presumably many societies will qualify for assistance. However, economic inequalities across societies as such are, for Rawls, a matter of moral indifference.[3]

[3] Well-ordered societies are liberal or decent peoples. Liberal peoples have "a reasonably just constitutional democratic government that serves their fundamental interests; citizens combined by what Mill calls 'common sympathies;' and finally, a moral nature" (p 24). Decent societies meet basic requirements of "political right and justice and lead its people to honor a reasonable and just law for the

The background to the Zedillo report's emphasis on institutions is the macro-economic debate about why some societies are poor and volatile and others wealthy and stable – a debate that goes back at least to Adam Smith's *Wealth of Nations*. I hope to show that the most promising answer to this question not only lends support to the above-quoted passage from the Zedillo report, but also illuminates and supports Rawls's position on global justice. Moreover, unless that answer prevails, Rawls's account is implausible, since then there would be much pressure to acknowledge duties beyond assistance in institution-building. Section 2 introduces the debate about the sources of growth and explores its implications for duties towards the poor. Section 3 begins to apply these insights to LP and explores whether (and denies that) there are any further-reaching duties towards the poor. Finally, section 4, expanding on LP, asks about the moral foundations for the duties to the poor of the sort that section 3 argues there are. Section 5 concludes. In a nutshell, then, this essay defends an account of the duties to the global poor that is informed by the empirical question of what makes countries rich or poor, and that tends to be broadly in agreement with Rawls's in LP.[4]

Society of Peoples" (pp 59/60). Many considerations bearing on what well-ordered societies owe burdened societies coincide with those bearing on what developed countries owe developing countries. While there are differences because "well-ordered" societies are defined in terms of their political nature, whereas "developed" societies are defined in terms of their economic level, I treat these questions as roughly interchangeable for purposes of exploring what duties societies have towards each other. Yet one important question not fitting in here is whether the global order as such harms developing (burdened) societies. I discuss this question in Risse (forthcoming). I talk crudely about developed/industrialized/rich societies (or countries) in opposition to developing societies/countries, but this simplicity should do no harm.

[4] The reason why empirical matters are central for assessing what the global poor are owed is this: many agree that there is a duty to support the global poor, with disagreement remaining about the nature of this duty (normative question). Once such a duty is in place, we must ask more precisely about its content, which draws on the question of what makes countries wealthy (empirical). (By "nature" of the duty I mean whether it is a positive or negative duty, and by "content" I mean whether it is a duty to transfer resources, assist in building institutions, etc. A positive duty requires us to do something good for somebody else, whereas negative duties require not to do something bad.) What it makes sense to impose as a duty must be influenced by what makes countries do well. The content of the duty, in turn, affects its scope and limits (normative). At any rate, it should be plausible that sensible views on what societies owe to each other must

2. Theories of Growth and Duties to the Poor

2.1 Development economics is a young discipline with ongoing disagreements. It will be useful to introduce some of them because the view developed later depends on the success of one such view. One important disagreement is about how to define poverty. Should it be understood absolutely or relatively? Should it be defined in terms of consumption expenditure or through a set of conditions that one cannot aggregate into any single index? A second disagreement is about whether development should aim at economic growth ("growth solves other problems eventually"), or pursue different goals (cf. U.N. Human Development Indicators). A third is whether there is a recipe for development as captured, say, by the neo-liberal "Washington Consensus," or whether local factors determine success, and a fourth is about whether development needs more money or wiser spending of funds that, given such spending would actually be sufficient. The disagreement crucial for us is yet another, a disagreement of a rather theoretical kind, namely about the sources of growth.

Economists and historians have long debated what makes countries rich or poor. This debate has recently gained sophistication through econometric techniques that allow for the testing of broad hypotheses about the causes of growth against cross-country data. Three major views have emerged:

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be informed by views on what determines growth. If geography is economic destiny, it is implausible to claim that some countries are poor because others impose an economic system that harms them. Yet then the moral arbitrariness of geography generates a positive duty to help them. If growth depends on domestic institutions, development aid should take the form of support in building institutions, rather than resource transfer. If geography trumps, we may be able to say that "it is the fault of developed countries that certain institutions are in place now" (they derive from colonialism), but that does not entail that "it is their fault that developing countries are *poor*." If institutions trump, the inference holds. So, indeed, what determines the wealth of nations bears on what societies owe to each other.

Geography: Growth is primarily determined by factors such as location, climate, endowment of resources (including soils), disease burden, and thus agricultural productivity, quality of human resources, and transportation costs.[5]

Integration: Growth is primarily determined by world market integration.[6]

Institutions: Prosperity depends on the quality of institutions, such as stable property rights, rule of law, bureaucratic capacity, appropriate regulatory structures to curtail at least the worst forms of fraud, anti-competitive behavior, and graft, quality and independence of courts, but also cohesiveness of society, existence of trust and social cooperation, and thus overall quality of civil society.[7]

One may find it odd to ask which theory "wins," since any country's prosperity will depend on many factors, including those championed by these theories, mixed with history and human choices. Also, factors relevant for growth affect each other. Countries with stable institutions can more easily integrate their economy globally, and successful integration facilitates their maintenance. Landlocked countries and those far from markets have difficulties in trading. Absence of debilitating epidemics favors stable institutions, but institutions also advance capacities to control diseases. Resource abundance, by contrast, can foster rent-seeking institutions (*"resource-curse"*). Not only do these factors influence each other, but prosperity itself, the *explanandum*, affects factors that supposedly cause it. It may be *because* a country is wealthy that it has good

[5] Cf. Diamond (1997), Gallup, Sachs, and Menninger (1998), Sachs (2001).

[6] Cf. Frankel and Romer (1998), Sachs and Warner (1995). Policy makers from World Bank, IMF, WTO, and OECD frequently argue that integration into the world economy is the way to prosperity.

[7] Cf. North (1990); Landes (1998); Hall and Jones (1999); Acemoglu, Johnson, and Robinson (2001); Rodrik, Subramanian, and Trebbi (2002). The importance of domestic institutions is also discussed in the 2003 *World Economic Outlook*, chapter 3, which includes a good review of the recent literature and an illustration of the importance of institutions: calculations show (p 106) that an improvement of institutional development from its current average to that of developing Asia implies an 80% increase in per capita income for Sub-Saharan Africa: from $800 to over $1,400. (For measuring institutional quality, see p 119, appendix 3.1)

institutions, benefit from trade, or can control diseases, rather than vice versa. Such feedback makes it hard to determine the "deep" causes of prosperity. Still, questions about deep causes that are not themselves the outcome of feedback processes are meaningful, and econometrics investigates how much of the variation in cross-national incomes Geography, Integration, and Institutions can respectively explain.

2.2 As a matter of professional hazard philosophers underestimate the relevance of empirical questions for normative inquiries, to the detriment of our discussions and of the impact of political philosophy outside philosophical circles. Our professional training makes us see normative problems where often the crucial questions are empirical. One drawback of enlisting empirical research is that philosophical studies will mostly quote its contributions, instead of doing the work to establish them. While it is with such regret that I introduce a claim about the growth-debate (and concede right away that my arguments, to the extent that they depend on the stance I am about to embrace are subject to revision in light of possible changes in what the available empirical evidence suggests), we obviously must go where the questions take us.[8]

Among the views above the *institutional* view seems most promising. It was only recently that econometric work showed that institutional quality is truly causal. It is hard to show that institutions are genuinely causal for growth, rather than vice versa. It is tempting to suggest that growth causes good institutions, not vice versa, or that

[8] Although we are here assuming a stance in an empirical debate that is far from closed, that stance should be plausible enough to warrant an investigation of its normative implications. At the same time, possible empirical advancements would leave at least the arguments in section 3 and 4 largely unchanged (i.e., the arguments against further-reaching duties beyond the duties to support in institution-building and the arguments assessing why there is any duty of assistance to begin with). I say "largely" because the arguments would then obviously have to be reformulated in a manner that does not presuppose any more that the content of the duty to the poor is support *in institution-building*.

institutions could arise only because of favorable geographical factors. The challenge is to show that institutions are genuinely causally efficacious.[9] It was even more recently that econometric results suggested that the causality of institutions was crucial. A key contribution, building on much other work, is Rodrik et al. (2002), which shows that institutions trump everything else: once institutional effects are determined, Integration has nothing left to explain, and Geography very little. Moreover, institutional quality significantly affects market integration and vice versa, and geography affects the quality of institutions. It is mostly channeled through their impact on institutions that geography and market integration matter without undermining the causal efficacy of institutions.[10]

Before we continue to work with this view ("the institutional stance"), we must be aware of its limitations, especially the following two. First, social sciences can only explain what the world has been like in the past, and hence results of this sort by themselves deliver no immediate policy advice regarding measures that have not been tried yet.[11] Second, these results are statistical in nature and do not reveal much about

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[9] To explain: A simple linear regression model looks like this: $y = ?_0 + ?_1 x + u$. That is, we are explaining a function y (the dependent variable) in terms of a function x (the independent or explanatory variable), for instance, prices of houses in terms of their square footage. Function u is the error term, while $?_0$ is an additive constant and $?_1$ is a coefficient. To be sure that x explains y, we must be sure that there is no other variable z "hidden" in the error term correlated with x and that thus explains the allegedly explanatory variable. If there is such a z, we call x an endogenous variable, otherwise it is exogenous. Suppose we want to explain y = economic growth in terms of x = institutional quality. How can we make sure that institutional quality is not itself explained by some z (like geography) hidden in the error term? How can we make sure institutional quality is exogenous, not endogenous? We can do so by choosing a so-called instrumental variable z for x. That is, we look for a z correlated with x and that thus can substitute for x, but is uncorrelated with error term u and thus does not leave the explanatory work for other variables hidden in u. As far as institutional quality is concerned, this was achieved only recently (cf. Acemoglu et al. (2001)).

[10] Rodrik et al. (2002) build on a significant amount of earlier work, and conduct both robustness tests and discussions of related results, all of which confirms their findings.

[11] For that reason, reference to these social-science results will in particular not show why we should not now start making massive transfers to the global poor, regardless of whether they contribute to institutions building. It will not be until subsection 4.1 that we will have resources to explain why we should indeed not make such transfers.

specific countries. Therefore it is important that a collection of case studies confirms that institutions "providing dependable property rights, manage conflict, maintain law and order, and align economic incentives with social costs and benefits are the foundation of long-term growth" (Rodrik (2003), p 10), and do so by tracing the economic development of different countries. Examples include China, Botswana, Mauritius, and Australia. For illustrative purposes, I briefly discuss Botswana (following Acemoglu et al. (2003)). Botswana is a largely tropical, land-locked country with insignificant agriculture in a geo-politically precarious location. At independence the British left 12 km of roads and a poor educational system. Making headlines for devastatingly high HIV rates, Botswana suffers from high inequality and unemployment. Officially a democracy, it has yet to see a functioning opposition party. 40% of Botswana's output draws on diamonds, a condition that often casts the resource-curse. Still, Botswana is a growth miracle. Between 1965 and 1998, it had an average annual growth rate of 7.7%, and a 1998 average per capita income four times the African average. Rule of law, property rights, and contract enforcement work. The government is efficient, small, and relatively free from corruption. Indigenous institutions, resisting colonization, encourage broad participation and constrain elites. Institutional quality and good policies have allowed for success against the odds.[12]

2.3 Suppose now that there is indeed a duty to help the world's poor to more prosperity – a claim for which I will argue in section 4. If so, it will be an empirical question of how

[12] Botswana also shows that development does not reduce to growth: but these results stimulate hope that other things will change too. Another example is Vietnam, cf. Pritchett (2003). Freeman and Lindauer (1999) argue that economic success in Africa depends on institutional quality. Van de Walle and Johnston (1996) concur.

actually to discharge that duty, and any answer to this question must be informed by our understanding of the sources of prosperity. It is in light of the work just reported that I adopt, as an empirical conjecture with strong support, that the content of the duty to aid the global poor includes support in building institutions, and hence that development assistance should include institution-building. Otherwise the content of that duty conflicts with its goal. I will argue in section 3 that additional redistributive duties (beyond the duty to build institutions) are not part of that duty, but everything I say in this study should be consistent with there being a duty to emergency aid in exceptional cases (such as natural disasters).

Let us explore some implications of this view. According to North (1990), institutions

> are the rules of the game in a society or, more formally, are the humanly devised constraints that shape human interaction. In consequence they structure incentives in human exchange, whether political, social, or economic. Institutional change shapes the way societies evolve through time and hence is the key to understanding historical change. (p 3)[13]

Those constraints benefit societies only if most individuals support the "rules of the game." This is true especially for institutions that cannot be created by governmental fiat (as, say, market-regulating institutions can), such as a constitution guiding generations through political disputes, a legal system enforcing property rights and contracts, but most importantly a culture of trust, shared understandings of what are reasonable benefits from and sacrifices imposed by cooperation, commitment to the common good, and other

[13] LP, pp 47/8, defines institutions similarly. One concern about the institutional stance developed with such a broad definition of institutions in the background is that the thesis "economic growth depends critically on institutions" becomes rather unspecific. However, this concern arises with regard to the practical impact of the institutional stance more than within the confines of our current theoretical debate. What matters, for our purposes, about the three views we have introduced is that Geography traces growth to environmental influences, whereas Institutions traces it to what one society "does with others," and Institutions to "what individuals in a given society do with each other."

hallmarks of civil society. Such institutions emerge and persist only with broad domestic support. Call the view that especially those institutions requiring broad domestic support matter for prosperity the *Authenticity Thesis*.[14] This thesis is safe within the confines of the institutional stance: there can be a "stable structure to human interaction" only if most people cooperate. Still, this condition should be made explicit since it is important for what follows. Crucially, often all external aid can contribute absent such institutions is analytical work, identification of internal reform champions, training of future leaders, bureaucrats or professionals, and technical assistance.[15]

While I will argue in section 4 that there indeed is a duty to assistance in institution building, I am, at this stage, interested in exploring some prima facie reasons

[14] "Emergence" and "persistence" of institutions must be kept apart more than the account above suggests. It might well be possible for outsiders to force the emergence of a certain set of institutions that would not have otherwise emerged, but then can (and need to be) maintained by the indigenous population. Think of the imposition of democratic structures in Japan at the end of WWII. Still, situations in which outsiders can impose institutions in this manner will tend to be cataclysmic moments, such as the one just mentioned, and thus be rather rare.

[15] Van de Walle and Johnston (1996), p 2/3 argue that institutions in Africa founded on substantial donor support are weak and dependent on outside resources. The 2002 *World Development Report, Building Institutions for Markets*, elaborates on the theme discussed above, and provides literature references. The World Bank Research Report *Assessing Aid* find that financial aid works in good policy environments; improvements in economic institutions and policies are key to a quantum leap in poverty reduction; effective aid complements private investment; the value of development projects is to strengthen institutions and policies so that services can be effectively delivered; an active civil society improves public services; aid can nurture reform even in highly distorted environments – but it requires patience and focus on ideas, not money (p. 2-4). *Assessing Aid* points out that the following three measures are unlikely to work: large amounts of money; buying reform (i.e., conditional lending not supported by a domestic movement); focusing on individual projects (p 103). Pogge (2002), p 206 talks as if one may simply bypass governments (institutional structures) and start a project regardless of domestic support. Yet such projects tend to fall apart as soon as the donor moves out. Van de Walle and Johnston (1996) claim that the proliferation of stand-alone projects not tied into a general improvement of infrastructure and institutions is a key weakness of aid to Africa. An earlier influential expression of this view is Tendler (1975). Wenar (forthcoming) questions the claim that "small sacrifices bring great benefit" by displaying how difficult it is to determine the effects of contributions to aid efforts, and in the process surveys a considerable amount of empirical literature expressing skepticism about aid. Pogge (2002) takes up the theme that "world poverty cannot be eradicated by 'throwing money at the problem'" (p 8). He rejects that claim by reference to the facts that much development aid has been given for strategic reasons, and that only a rather small percentage share was allocated to the least developed countries. However, the 1998 World Bank Report and van de Walle and Johnston (1996) are also well aware of these facts – but these facts simply do not refute the claim that Pogge dismisses.

implied by the institutional stance that speak *against* development assistance as well as, derivatively, against global egalitarianism. These reasons do by no means refute the view that there is a duty to assistance in institution building; they will, however, constrain the duty to assistance, and do so in ways that draw on the fact that it is institutions that the duty to assistance requires us to build, and hence do so on internal grounds. If the institutional stance (plus Authenticity Thesis) holds, we encounter four *prima facie reasons* against development assistance (and, *mutatis mutandis*, humanitarian intervention). The first is that assistance is ineffective: what is needed cannot be "imported." Instead, the task of building, or re-building institutions ("nation-building") is one that must (and can only) evolve from within, as unsatisfactory as that may be from the point of view of good-willed outsiders. The second is a paternalism concern: it is inappropriate for outsiders to shape institutions, since they will inevitably shape them according to their own understanding. The third is that outsiders cannot be blamed if societies fail in creating something they can only create themselves – and thus are not obliged to try. The fourth reason is that the stability of institutions might be undermined if those whose participation maintains them rely on support from the outside. Dependence on outside support, that is, is the enemy of institutions' internal viability.

Each reason must be set aside to justify assistance. One reason for setting all four aside is if, contrary to the statistical support for the institutional view, in particular cases persistent poverty turns on factors that are not adequately captured within an institutional approach. But, as I hasten to add, even to the extent that institutions are crucial, each reason can indeed be overruled: it is in that sense that I introduced these reasons as *prima facie* reasons. Contrary to the first, it may be possible to offer the needed help ("It is true

that one cannot just start working on AIDS or build some schoolhouses in Sub-Saharan Africa; one must also make sure that there is an appropriate medical or educational system to support these efforts, and there can be no such systems without broad domestic support. But there are measures one could take to generate such support." Or even more to the point, disaster-relief will often be possible, but do nothing to relieve poverty in the long run.) Contrary to the second, paternalism may be irrelevant, and possibly grotesquely so, in the face of death and starvation (similarly for the fourth reason); and contrary to the third, the reason why bad institutions have emerged in the first place may be outside interference. Yet while each case will require close analysis, it is clear, on the institutional stance, that development is not primarily a matter of transferring resources, and its main challenge is not to convince wealthy Western restaurant patrons to forfeit one dinner a month. Again, I will argue below that there indeed *is* a duty to aid the global poor, to be understood, as we just saw, as a duty of assistance in institution-building, but this duty will have to be understood as constrained by these prima facie reasons.[16]

2.4 The institutional stance entails that equality among societies is not, on balance, a goal that we should bring about. For *to the extent* that those reasons remain forceful, they push outsiders not to worry about societies' comparative wealth levels. Even if we say that, "from the viewpoint of equality," such a state of affairs is problematic, and even if in a domestic context we find such an observation sufficient to bring about a change, we will find this reasoning overruled vis-à-vis other societies. For *to the extent* that those reasons

[16] Views following Singer (1972) often speak as if the problems of the world could be solved if only rich Westerners were willing to make that sort of sacrifice. Singer (2002), however, shows a considerable awareness of the practical obstacles to such a view.

can be maintained -- a matter of degree and variable across societies -- we have simply no reason to alter another people's economic situation. For instance, if one society is at welfare level L1 and another at L2<L1, and if there is nothing anybody from the outside can do to bridge the gap between L2 and L1 because it would require institutional changes that must come from the inside, then there is no obligation to do so, and the gap between L1 and L2 is not one that external actors ought to close. In particular one can consistently be a domestic egalitarian and not insist on cross-societal equality.

Cosmopolitans might resist this view. Following Pogge (2002), I take cosmopolitans to think that individuals are the unit of moral justification, that all individuals matter equally, and that all individuals should matter equally *to* everybody. Such cosmopolitans might object that individuals cannot be held liable for their institutional affiliations: after all, they were simply born into more or less functional institutional frameworks, just as they were born male or female. Put differently: the institutions into which individuals are born are just as much beyond their control as are their society's geographical circumstances. Therefore, blocking claims to socio-economic equality by reference to the importance of institutions would mean to hold individuals responsible for matters that are generally beyond their control.

However, claims to socio-economic equality could obviously not always be honored by allowing individuals from less developed societies to join more developed societies. Instead, they would have to be honored by attempts to build institutions of high quality for those individuals *where they are*. And this takes us straight back to the four reasons against development assistance that, as I just argued, also suggest that equality across societies is not morally required. Cosmopolitanism may require that individuals'

needs must be met, regardless of where they live, but that view is consistent with the view that inequality per se is not morally problematic. I submit that the institutional stance entails that cosmopolitans should not take their position to entail claims to socio-economic equality. Moreover, contrary to Lomasky (2001), "classical liberalism" is consistent with state boundaries that are less porous than the boundaries between the states composing a federal structure.[17]

However, the claim that inequality as such across societies is not morally problematic is consistent with the claim that *excessive* inequalities of the sort that we observe in the world at this stage *are*. The argument so far, that is, has really not shown anything beyond the claim that demand for equality per se are unwarranted. I suspect, however, that much of what seems morally problematic about excessive inequalities is that some people live in abysmal poverty while others live in luxury. That sort of concern would cease to apply once all societies possess quality institutions, and it seems like a plausible empirical conjecture that the actual amount of inequality (at least on a purchasing-power-parity basis, rather than an exchange-rate basis) will decrease once that is so. Internationally, that is, I suspect that many concerns commonly expressed in egalitarian terms really are concerns of the "sufficientarian" sort. Domestically, the justifiability of law will constrain socio-economic inequalities considerably, but I believe that no argument is available that requires global socio-economic inequalities to be

[17] (1) The term "classical liberalism" should be clear enough for our purposes, but cf. Lomasky (2001), p 75, to see what he means by it. (2) One may argue against all this, though, that peoples (plural!) as such have claims to equal treatment to such an extent that they have claims to economic equality regardless of institutional performance and of issues of individual responsibility. That sort of collectivist stance, however, just strikes me as independently implausible.

constrained to a similar extent. Sections 3 and 4 will offer some considerations in support of this view.

If this view on domestic versus global inequalities is correct, remaining inequalities might, and I believe would, still be problematic from a point of view of rationality, rather than from a moral point of view: a world with massive inequalities is likely to be an unstable world, even if domestic institutions are of high quality. So for that reason, it would still be in everybody's interest to prevent global inequalities from being excessive even though equality as such across societies is not morally required. Enlightened self-interest, I believe, does more work here than moral considerations.[18]

3. Institutions, the *Law of Peoples*, and the Limits of Duties to Burdened Societies

3.1 So far we have been concerned with exploring the institutional stance as such, as well as some prima facie reasons against development assistance and their implications for the demand for global economic equality. Let us next explore how this discussion illuminates Rawls's *Law of Peoples*. As Rawls explains, the

> third guideline for carrying out the duty of assistance is that *its aim is to help burdened societies to be able to manage their own affairs reasonably and rationally and eventually to become members of the society of well-ordered Peoples*. This defines the 'target' of assistance. After it is achieved, further assistance is not required, even though the now well-ordered society may still be relatively poor. Thus the well-ordered societies giving assistance must not act paternalistically, but in measured ways that do not conflict with the final aim of assistance: freedom and equality for the formerly burdened societies. (p 111, italics added)

[18] At the same time, it is a bit hard to assess how urgent this instability concern really would be in a world in which quality institutions are pervasive. It seems that people's self-esteem and ambitions are very much shaped by their immediate environment, rather than by other societies. (Cf. Frank (1986) on such themes.) However, it is hard to predict the impact of an ever-more interconnected world on these phenomena (think of widely-transmitted Western TV or widely-shown movies, etc.)

Rawls limits duties to the poor to transitory assistance in institution building, implying that inequalities as such among peoples are morally irrelevant. Our discussion of the debate about growth in section 2 bears immediately on the assessment of this view. If Integration or Geography holds, Rawls's account of what societies owe to each other will be hopelessly indefensible. Especially, if Geography is true, a society's wealth will depend on factors beyond human control to such an extent that redistributive claims must succeed. So empirical issues bear crucially on the question of what redistributive claims societies have towards each other, and it is only on the institutional stance that what Rawls says in the quote above appears plausible. Of course, as Beitz (2000; p 690-92) also emphasizes, the institutional stance does not by itself rule out *further-reaching* duties, and thus we will below have to ask explicitly whether there indeed are such duties.

Defending his account by appeal to Landes (1998) and Sen (1981),[19] Rawls insists (p 108), in a passage already quoted above in section 1, that

> the causes of the wealth of a people and the forms it takes lie in their political culture and in the religious, philosophical, and moral traditions that support the basic structure of their political and social institutions, as well as in the industriousness and cooperative talents of its members, all supported by their political virtues. I would further conjecture that there is no society anywhere in the world – except for marginal cases – with resources so scarce that it could not, were it reasonably and rationally organized and governed, become well-ordered.

So Rawls, unfortunately, endorses the institutional stance without making any conceptual space whatsoever for other factors, and it is in virtue of its sheer strength that his view seems so overdrawn. Yet while the institutional stance introduced in section 2 agrees with

[19] According to Sen (1981), famines are not problems of food production, but political and economic disasters. It is by reference to Landes (1998) that Rawls asserts there is no need to discuss Beitz's (1979) resource distribution principle.

Rawls on the importance of institutions, it does make room for other factors and improves the version of that view that Rawls offers. In particular that stance can address worries deriving from the view that unfavorable locations may make it unduly hard for some to develop successful institutions. For the causal impact of such factors is captured by that stance: geographical factors affect prosperity through affecting institutions. If geographical factors make it hard to build institutions, the duty to assistance will be more demanding: while such a duty has a goal and a cut-off point, as Rawls insists, how hard it is to reach them depends on the situation. Still, in some cases it may be inappropriate to think of a duty to increase the level of prosperity of the global poor in terms of institution-building to begin with, and the institutional stance developed above is consistent with such cases as well (in virtue of its drawing on statistical generalizations). In some situations the duty of assistance in building institutions will be very demanding, but as we have seen in section 2, there will also be situations in which no duty applies because what requires doing cannot be done by outsiders. Moreover, it may often be a difficult question to assess whether a duty to support in institution-building applies, but is very demanding, or whether it does not apply because some of the four reasons against assistance hold. At any rate, the framework of section 2 captures the relevance of geographical factors.

One may object that my argument (like the theories on the sources of growth) is committed to what Pogge (2002) calls *explanatory nationalism*, fallaciously reducing development indicators to domestic causes. States and individuals, says Pogge, react to incentives given by the global order, which may affect institutional quality. Inquiries so committed cannot detect the impact of the global order. However, the institutional stance

does not commit this fallacy. While the theories of growth above do collect data on a country-by-country basis, this is an organizational device that does in particular not address any *causes* of institutional performance. To the extent that the global order (or an oppressive past) causes bad institutions, this, along with geographical factors, must be considered in the execution of the duty of assistance. So the institutional stance can properly integrate global factors.[20]

3.2 I take it that we have shown by now in particular that, first, support in institution building is generally required *if* anything is (a duty, however, that is constrained by the four prima facie reasons against development assistance that we encountered in 2.3), as well as that, second, the institutional stance developed in section 2 improves on some implausible aspects of the most visible view in favor of that institutional stance on duties, namely Rawls's view in the of *Law of Peoples*. However, what has been said so far is consistent with considerations supporting additional redistributive duties once the duty to institution-building is fulfilled. (To be sure: this concern is indeed about ongoing redistributive duties, rather than duties in emergencies.) This leaves us with two questions. On the one hand, we must ask whether there are indeed such additional duties, and on the other hand, we must explore on what grounds duties to provide such support (and possibly others, depending on how that first question is answered) would arise in the first place. That is, the first question asks about the scope and limits of the duties to

[20] Kymlicka (2001) is a recent proponent of the view that "parties to the original position would choose some form of redistributive tax – perhaps a global resource tax – which requires wealthier countries to share their wealth with poorer countries. The goal would be to ensure that all people are able to live a decent life in their country of birth, without having to leave their culture and move to another country to gain access to a fair share of resources." Following the argument of this section, it seems Kymlicka should focus on institution-building and think of such a tax only in purely instrumental terms.

burdened societies, whereas the second asks about their moral foundations. We will explore the first question in the remainder of this section, and the second in the next.

We have addressed one consideration that speaks in favor of further-reaching duties towards burdened societies, namely, that geographical factors urge ongoing compensation. Yet on the institutional stance, such factors are best understood not as justifying additional duties, but as making assistance in institution-building more or less demanding. As their causality operates through the difficulty or ease in establishing good institutions, such factors cannot *also* justify additional demands. It is useful to explore whether there are other such considerations. Rawls offers two arguments intended to show that there are *not:* first, that peoples themselves do not desire wealth, absolutely or comparatively, and thus cannot have redistributive claims; second, that, unlike citizens in well-ordered societies, societies do not exist in an environment in which such claims are valid (LP 16.1). Let us discuss both. It will turn out that the second argument succeeds, which suggests that there are indeed no further-reaching duties.

Talking about interests of peoples, Rawls lists protection of territory, security and safety, preservation of free political institutions and "the liberties and free culture of their civil society." As opposed to that, increasing economic strength, like enlarging territory, is a feature of *states*, not peoples (LP, p 27f, cf. p 107).[21] Rawls cannot mean that peoples do not care about wealth because they are not of the sort that *could*; after all, peoples care about territorial integrity. The point must be that it is unreasonable for *citizens* to care

[21] While LP, p 28, talks about relative not absolute economic standing, whereas p 34 says liberal peoples do not have a conception of the good. These passages themselves do not entail that Rawls thinks that peoples are unconcerned with their *absolute* standing. Wenar (2002), for one, understands him to be saying that. If Rawls does not mean this, the objection I am about make does not apply: but then this whole approach does not explain why there should be no redistributive duties.

about wealth other than in relation to each other, regardless of their absolute level of wealth. For if individuals can reasonably care about wealth otherwise, there will be an *aggregate* sense in which society cares about *its* absolute (not relative) wealth. Yet this claim about citizens seems false. Citizens within justice as fairness want more, rather than less, income and wealth to pursue their conceptions of the good, within a certain range.[22] Peoples may decline further wealth increases, but that differs from dismissing redistributive duties because peoples are unconcerned about wealth. On the contrary: given the relevance of wealth and income for realizing conceptions of the good, governments should foster growth unless citizens instruct them otherwise. So societies may indeed desire more wealth.

3.3 But do societies exist in an environment in which they can make redistributive claims? Citizens can make such claims as free and equal members of fair systems of cooperation. Yet one might say that they cannot reasonably regard themselves as standing in such relationships with citizens from other societies. There is no background for such claims among societies to be valid. However, no matter how this argument is developed (and such development is obviously needed), it is open to instability concerns. As critics point out,[23] there are increasingly dense international structures that seem to undermine the claim that citizens can reasonably regard themselves domestically but not

[22] Wenar (2002) also notes this, but does not criticize it. Pogge (1994) also discusses the assumption that peoples only care about being well-ordered. Cf. Rawls (1999b), p 257/8 on the necessity of wealth: "What men want is meaningful work in free association with others, these associations regulating their relations to one another within a framework of just basic institutions. To achieve this state of things great wealth is not necessary. In fact, beyond some point it is more likely to be a positive hindrance, a meaningless distraction at best if not a temptation to indulgence and emptiness."

[23] Pogge and Beitz have long insisted that there is a kind of global basic structure; cf. Beitz (1979), part III, sections 3 and 4, and Beitz (1999); cf. also Buchanan (2000).

internationally as engaged in a cooperative system. Relevant international relations include trade liberalization, worker migration, multi-national structures like the EU and global institutions like U.N., World Bank, IMF, WTO, and International Criminal Court. Individuals themselves stand in economic relationships across the world, including, say, workers in the car industry whose fate turns on attitudes of workers abroad. Globalization weaves together, in highly complex systems, the fates of communities, households, and individuals in distant parts of the world.[24]

Yet this objection fails, or at any rate, the view suggesting that societies exist in an environment in which they cannot make redistributive claims upon each other can be reformulated in such a way that the objection does not apply any longer. What lets citizens make redistributive claims on each other is not so much the fact that they share a *cooperative* structure, but instead, as Blake (2001) argues, the fact that they share a *coercive* structure.[25] If individuals are jointly subject to a body of law (which is what is meant here by coercive structure), ranging from criminal to civil, one that is constantly enforced by officials, this body of law must be justifiable to each of them in virtue of its interference with their autonomy. Redistribution among them may be necessary for such justification to be possible (especially since what needs justification is in particular a property regime), and it is through this requirement of justifiability that redistributive claims arise. The importance of cooperative structures for *redistributive* claims, I think, is

[24] Cf. Satz (1999).

[25] Note that the terms "coercive structure" and "cooperative structure" are not used in a mutually exclusive sense. Social institutions are often both cooperative in the sense that they involve collaboration among individuals to their mutual benefit, and at the same time they are coercive by limiting the participants' autonomy. Note also that it is indeed in this "autonomy-constraining" sense that I use the term "coercive" here: in particular, there should be no immediate association with "oppressive" relationships.

rather limited. To be sure: both cooperative structures and coercive structures are special cases of shared norms, and as such require justification to those subjected to them. However, both sorts of structures require justification *appropriate to their nature*: cooperative structures will have to be justified *qua* cooperative structures, and similarly for coercive structures. Through the justification of the legal body in general and of property law in particular, the justification of coercive structures leads straightforwardly to economic redistribution. The justification of cooperative structures per se, however, leads straightforwardly merely to the demands that exchanges be fair and that individuals benefit proportionately from their input into the cooperative system.

So what exerts the real justificatory pressure within a fair system of cooperation, and thus within a given society in particular, is not actually the presence of cooperation per se, but the presence of an underlying coercive structure. It is, at any rate, the additional presence of coercive structures that differentiates individuals that share a citizenship from a group of individuals that merely happen to live in the same area and are engaged in cooperative enterprises. For that reason, the view that societies, as opposed to citizens, do not exist in an environment in which redistributive claims can be made can be developed without being open to the objection just developed. The point is that the reason why individuals can make such claims upon each other is not the presence of cooperative structures to begin with, and hence the objection, as stated, does not arise any more. That is, no objection to this view can succeed based on the observation that international cooperative structures are, by now, fairly dense as well.[26]

[26] (1) I talk here about "citizens" vs. "non-citizens" and thereby oversimplify the debate. After all, in addition to the citizens living in a country there are also other residents, and their existence, just like questions of immigration, complicates matters. But for our current purposes, I will ignore these complications. (2) The following quote from Jencks (2002) illustrates nicely how the need for justification

For an illustration of what these considerations amount to in the international arena, consider Basel in Switzerland. Close to both the German and the French frontier, Basel is economically integrated with Southern Germany and Eastern France. France begins, literally, on the premises of the Basel train station. Yet Switzerland keeps its international political arrangements minimal (and has, in particular, no interest in joining the European Union). Intense economic trans-boundary relationships fail to undermine the claim that individuals' primary political identity is, or should be, that of citizens *qua* members of a shared coercive structure (i.e., shared domestic laws). Many laws that hold in Switzerland, of course, are reasonably similar to those that hold in Germany or France, but nevertheless, any enforcement would be by *Swiss* authorities.

Trade relationships put pressure on the creation of larger political entities (cf. EU), but themselves do not create relevant coercive structures. To be sure, trade relationships, like other cooperative structures, domestic or international, are subject to appropriate moral claims, but those would be claims that govern *trade relationships*, or respectively other cooperative structures, and nothing else. I disagree with Beitz (2000; p 694), then, that a theory relying on sharp distinctions between the domestic and the international domain is unstable. Domestic egalitarians, at any rate, should base their views on this premise of shared coercive structures (and not cooperative structures, which

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of domestic policies arises: "Almost everyone who studies the causes of economic inequality agrees that by far the most important reason for the differences between rich democracies is that their governments adopt different economic policies. (…) A number of rich countries have centralized wage bargaining, which almost always compresses the distribution of earnings. Many rich democracies also make unionization easy, which also tends to compress the wage distribution. Some rich democracies transfer a lot of money to people who are retired, unemployed, sick, or permanently disabled, while others are far less generous. The United States is unusually unequal partly because it makes little effort to limit wage inequality: the minimum wage is low, and American law makes unionization relatively difficult. In addition, the United States transfers less money to those who are not working than most other rich democracies" (p 52f). Jencks here offers a list of economic and legal arrangements that must be justifiable to the citizens of a country (and with regard to which states differ significantly) – but not to anybody else.

at any rate would not deliver much by way of egalitarian conclusions, even domestically), and if so, their egalitarianism does not straightforwardly extend to cross-societal inequalities.[27]

Before I discuss some objections to the view just developed, let me say where this view, if successful, leads us. It follows from our discussion that one Rawlsian argument rejecting duties beyond assistance in building institutions succeeds: societies, unlike citizens of well-ordered societies, do not exist in an environment where redistributive claims beyond duties to assistance succeed. There may be other arguments, but the most prominent considerations commonly advanced on behalf of further redistributive claims draw on the importance (and arbitrariness) of geographical factors and transnational economic relationships. Both considerations fail, so lest there are other arguments that this analysis has overlooked, there are no redistributive duties across societies over and above the duty in support of institution-building.

With all this in place, we revisit the claim that inequalities across peoples are a matter of moral indifference. The importance of institutions for prosperity itself rendered it plausible that equality across societies does not matter morally. Now we have argued that additional claims justifying a duty of redistribution in addition to assistance in

[27] The Basel example also lends itself to this objection. Suppose that the Swiss economy, for some reason, suffers severe harm, so that many Swiss workers have no reasonable alternative to seeking employment in the neighboring countries. Suppose somebody living in Basel crosses the border each day to work for a French company, and that the company has a policy of paying Swiss workers half what it pays equivalent French workers. Does this not seem unfair, and does it not mean that this Swiss citizen has a morally legitimate claim to compensation from the company? I think he does have such a claim, and it is a claim that he has in virtue of doing the same work for less pay. However, suppose that the relative social status of his French co-workers for their income is higher than his social status in Switzerland. The view above entails that he does not have any legitimate complaint about that, nor does he have a legitimate say in how the French can bequeath or otherwise transfer their money. There is no need for the French laws regulating property to be justifiable *to him*. Whatever claims he has, he has in virtue of being a worker of that company, and the only regulations that must be justifiable to him are those that apply to his role as a worker in that company.

institution building fail. If there are no such redistributive duties, there are no duties aimed at economic equality either. The earlier view on equality across societies emerges strengthened.

3.4 Let me complete this section by discussing, in some detail, a few objections to my way of spelling out the claim that societies do not exist in the kind of environment in which they can make redistributive claims upon each other. One may object in two ways: first, one may argue internally against my argument by insisting that basing a moral distinction between citizens and non-citizens on the existence of shared *coercive* structures is open to the same instability objection that troubled the attempt of basing such a distinction on a shared *cooperative* structure, and hence that this shift in focus will not solve the problem. And second, one may say that this argument at best succeeds at showing that some normative relevance can be attached to shared citizenship *given* that the existence of states is taken for granted – yet what really is at stake (at least as far as cosmopolitan critics are concerned) is just that assumption. Let me elaborate.

According to the first objection, globalization has not only led to the creation of a global network of cooperative relations at odds with national borders, but also given rise to new, transnational and multi-layered forms of rule that national governments share with other governments and with transnational agencies. Sovereignty, as traditionally understood, is being transformed and reconfigured, and has become shared and divided among agencies of public power at different levels. Traditionally, sovereignty was the (at least largely) *unsupervised exercise of authority in a domain*; nowadays sovereignty of states is, in many cases, more closely related to sheer *independence from individual other*

states, in a sense in which colonies were dependent on specific states, and it remains to be seen just how this understanding of sovereignty develops. The state is now located at the intersection of global, regional, transnational, and local systems of governance. Much like cooperative structures, coercive structures exist across state boundaries and thus cannot form a basis for identifying what is distinctive about citizenship and hence cannot provide an argument for why there are no redistributive duties across societies.

There are two responses to this objection. The first denies the point of the objection by insisting that coercion of the relevant sort is exercised by states only. Ruggie (forthcoming) captures the point well: "International officials or entities may be endowed with normative authority that comes from legitimacy, persuasion, expertise, or simple utility; but they lack the basis and means to compel" (p 27).[28] That is, it is admittedly not the case (any longer) that states are the ultimate and sole source of authority exercised on their territory. Still, to the extent that political authority has moved to non-state actors, it has done so only through explicit or implicit approval of states and at any rate still depends on state power for enforcement. International law, in particular, cannot coerce in the sense in which domestic law can (and constantly does), since it generally does not have its own enforcement organs and is parasitic on domestic law and its enforcement

[28] This is page 27 of the paper as found on Ruggie's web-page in February 2004 (http://www.ksg.harvard.edu/cbg/director.htm). At that time, the final page numbers of the volume in which it will be published were not known. Cf. the following related statement in Slaughter (1997), p 195: "[G]overnance without government is governance without power, and government without power rarely works. Many pressing international and domestic problems result from states' insufficient power to establish order, build infrastructure, and provide minimum social services. Private actors may take up some slack, but there is no substitute for the state." (This is a remark from an author who does by no means wish to insist on the old Westphalian order, but instead, urges us to think of the world order in terms of transgovernmental networks, cf. Slaughter (2004) for elaboration.) Turning around the proposal that sovereignty has been eroded through the increasing importance of transnational organizations and transgovernmental activities of the sort described by Slaughter (2004), Chayes and Chayes (1995) say that "[t]he only way most states can realize and express their sovereignty is through participation in the regimes that make up the substance of international life" (p 27).

organs, even where states have opted always to resolve conflicts between state law and international law in favor of the latter (since that is itself a decision that the state has made).

It will be useful, however, to have a different response to the objection because, on the one hand, at least for some transnational structures such as the EU, this picture is changing: once the EU has its own police force, it will have its own means of enforcement. (The EU, of course, is a rather special case.) On the other hand, and more importantly, this objection depends crucially on what precisely counts as "means to compel." Coordination of or resolutions for economic sanctions or moral pressure can, under appropriate circumstances, be rather effective "means to compel" as well, and those draw a lot on non-state actors.

The second response, then, is to grant much of the objection, but to insist that it misses the point. That is, this response grants that there exist genuine coercive structures not confined to or ultimately dependent on nation states, and that those structures must be justified to those whom they coerce. But consider how the coercive-structures-approach to assessing the distinctness of shared citizenship might support domestic redistribution. The crucial point is that among the shared legal structures that must be justified to all citizens of a given state there are laws regulating acquisition and transfer of property, including business interactions, taxation, labor markets, inheritance and bequest, gifts, etc. "Redistributive" measures emerge naturally *as components of a property regime* justifiable to all participants -- where one must not understand "re-distribution" in terms of taking something away from its "real" owner and give it to somebody else: the question is obviously precisely what the ground rules of ownership should be, and hence

what sorts of individual appropriation everybody can be expected to tolerate. So it is in the nature of what domestic law regulates that its justifiability straightforwardly involves "redistribution."

Now consider international law. International law addresses questions of transnational concern, including topics such as the position of states, state responsibility, peace and security, the law of treaties, the law of the sea and of international watercourses, the conduct of diplomatic relations, and more recently also international organizations, the environment, air law and outer space activities, deep-sea resources, and the international protection of human rights. In all these cases, however, the justifiability of appropriate international law to those affected by it does not involve redistribution of any sort. If we are concerned with military intervention, for instance, we must formulate conditions under which intervention would be appropriate, or if we are regulating trade relations, we must do so in terms justifiable to all trade partners. None of this, however, involves redistribution, except perhaps by way of rectifying injustices. So while indeed international law coerces as well, what makes it justifiable does, in virtue of its very subject matter, not involve any redistribution, unlike the justifiability of domestic law.

3.5 This leads us straight to the second objection. For it seems that the reason why the justifiability of international law does not involve any redistributive measures is that it takes the existence of states (which are the parties that have implemented international law to begin with) and many aspects of the state system for granted. International law, that is, is not a set of instruments to design or redesign the political surface of the earth from scratch, but instead a set of conventions and other arrangements among political

entities whose existence itself it never questions and that it regulates only to a limited extent (by governing the recognition of new states, for instance).

This, then, is where the second objection enters. This objection, recall, insists that the existence of states itself requires justification. What matters in this case is not justification to those who are subject to state authority (which, of course, is a longstanding subject of political thought), but instead, justification to those who are excluded by the state (which is a relative newcomer as a subject of political thought).[29] There are at least two ways of articulating the view that the existence of states itself must be questioned. First, one may say that the exclusion of some (the "foreigners") entailed by the existence of states with borders is illegitimate coercion. And second, one may say that no group of people has the required sort of entitlement to occupy a piece of the earth at the exclusion of others.

These two arguments belong very much to the folklore surrounding the debates about global justice, and so do their responses. While I will here be able merely to sketch them, I believe theses responses are rather robust under scrutiny and elaboration. It seems all the justification states need to prohibit arbitrary and uncontrolled immigration (which is what the first argument asks them to allow) is that they are doing something morally

[29] Morris (1998), in a wide-ranging discussion of the modern state, argues that "[s]tates (…) are legitimate to the extent that they are just and minimally efficient" (p 165). So the concern here is inward-directed (i.e., towards the citizens of the state), rather than outward-directed (i.e., towards those excluded from the state). As opposed to that, Scheffler (2001) gives much room to discussing the concern that we are about to address, and calls it the "distributive objection." The distributive objection is an objection to the existence of so-called associative duties (i.e., duties that arise, in one form or another, through associations) from the point of view of those who are excluded from the group of people among whom these duties apply; that is, it challenges those who defend such a duty to justify it to those who canot benefit from its existence, and who may in fact be disadvantaged by it. Scheffler contrasts this objection to associative duties with the "voluntarist objection," which arises from the point of view of those who are said to have that kind of duty, but never voluntarily accepted it. The account developed here should also be taken to be a response to the distributive objection. (What is essential for this response is already present in Blake (2001).)

defensible, even morally praiseworthy that in general cannot be maintained if there is no access regulation. What states do that deserves such protection is to provide for their members by maintaining a morally defensible legal framework and social system. Obviously, not all states do this, and if so, this argument will not apply to them. But there surely are states that pass the relevant moral tests, and hence acquire the right to maintain their existence by prohibiting uncontrolled access. It is consistent with this view that states have obligations towards people in need (refugees, asylum-seekers), or that states must offer support in institution-building.

Surely, there is coercion involved in regulating access to states, but only in the Hobbesian sense in which every impediment counts as a deprivation of liberty. And it seems that such coercion is justified along the lines just sketched. It is, in terms of its moral justifiability, not much different from coercion in a domestic context that keeps people from randomly seizing each other's property. Just like individuals within states should be allowed to have property in their lives for them to pursue meaningful projects, so states (i.e., organized groups of individuals) should be as well. Moreover, there is nothing about the presence of this sort of coercion that undermines the *moral equality* of all persons. Contrary to Carens (1987), then, I think it is rather misleading to compare the existence of states to medieval feudalism.

The second argument (the one questioning the entitlement of states to their territories) offers a successful objection to the existence of states only if one grants a strong notion of the earth being common property of all humanity, a notion so strong that it prohibits any group of individuals from legitimately reserving some parts of the earth for themselves at the exclusion of all others. The guiding intuition that would make us

think that the earth is common property is that its resources exist independently of anybody's contribution. It is, however, a big step from acknowledging that to the conclusion that, therefore, no group of human beings can occupy any part of the earth for their exclusive use. This step can only be taken if it is not only the case that the earth as such is common property of humankind, but *each part* of it as well. And it seems that this is more than the original intuition ("it is nobody's accomplishment that the earth is there") can support, especially under the institutional stance on economic prosperity. For the institutional stance allows for a broad range of possibilities for others to enjoy "enough and as good" (to put it in Lockean terms) of the common property since economic success is not immediately tied to possession of raw materials and to geographic location.

3.6 The defense of states involved in this discussion so far is a rather modest one: I have argued that the existence of states without redistributive duties towards each other is morally justifiable to those excluded from them. That by itself does not entail that one would or should *actually support* a state system over alternative world orders, such as Pogge's (2002) model of vertically dispersed sovereignty, from standpoints that propose such a choice. So far the discussion has not required us to question the existence of states from that angle. The argument of section 4, however, will.

4. Why are there Duties to Burdened Societies at all?

4.1 So far we have assumed that duties to the poor exist, and argued first that their content includes support in institution building, and then rejected additional redistributive

duties. But *are* there such duties in the first place? Needless to say, much could be (and has been) said by way of exploring the foundations of such duties. I will limit myself to offering reasons within a Rawlsian framework. To put our question in Rawlsian terminology, then: would well-ordered societies in the global original position accept duties of assistance to burdened societies? Before I explore this question, however, let me address one concern. One might say that this way of asking the question distorts the ethical issues in a way that prejudices against cosmopolitans. For what really needs to be asked here is what the global poor, *qua* individuals, are owed, and any answer to this question must in turn constrain what global political structures there can be; so answers in terms of domestic institutions will become relevant only if "domestic structures" themselves are consistent with this individualistic outlook. I am conscious of this concern, but I will proceed in a different order from what this objector suggests. I will *first* pursue the question in its Rawlsian form as just introduced, and *then* address the objector by way of formulating the cosmopolitan concern in response to the answer I am about to develop.

There are three reasons why they would. The first is prudential, the other two moral. As far as prudence is concerned, enlightened self-interest acknowledges that collapsing states spread refugees, involve others in domestic conflicts, or undermine regional stability; that national financial crises are internationally transmitted; that drug-trafficking, illegal immigration, arms trade, trafficking in women, money-laundering, international terrorism, or joint ventures combining several of these must be fought globally; that disease control is a global problem as much as the creation of a sustainable environment, since, say, damage to the ozone layer is damage done to us all; that

development delivers gains from trade, from cooperation in science, culture, business, and tourism. Like outlaw states, burdened societies are a global liability.[30]

For the moral reasons, recall that the global original position assembles representatives of well-ordered peoples (no others) to deliberate about principles of *foreign policy* for such peoples. In particular, it is their job to regulate foreign policy of well-ordered peoples vis-à-vis other societies. The first moral reason draws on the importance of institutions. We saw that there were reasons why representatives would be unconcerned with assistance beyond building institutions. Yet the significance of institutions for development also pressures deliberators to demand at least such assistance. However, since deliberators know they represent only well-ordered peoples, they may not find the adoption of such a duty strictly compelling. To do so, they must envisage being representatives in an original position in which they do not know whether they represent well-ordered or burdened societies. This device can be consistently added since original positions, for Rawls, clarify duties among parties by not allowing their representatives to know whom they represent. (Original position devices, after all, are merely *apparatus*: so what matters is whether the relevant considerations are available within the Rawlsian framework.) The same argument applies if individuals, rather than peoples, are represented in the second original position (as proposed by Beitz and Pogge). For their representatives would understand the importance of institutions. So on the institutional stance, it becomes irrelevant whether individuals or peoples are represented in the original position.

[30] Beitz (2000), p 689 thinks the self-interest argument primarily applies to outlaw states. I hope my discussion shows that it also applies to burdened societies.

The second moral reason (independent of the first) draws on consistency. Behind the idea of well-ordered societies stands an ideal of personhood. From the legitimacy-directed standpoint of *Political Liberalism*, this is a thin, political notion of personhood envisaging persons as having a capacity for a sense of justice and one for a conception of the good (Rawls (2001), section 7). Rawls accounts for these features in a minimal way, as they are to be explicated by different comprehensive views. Still, these features of personhood must apply to individuals regardless of whether they belong to any society, or which. Within the confines of shared coercive structures the moral esteem in which those powers are to be held imposes special requirements, in particular to develop one's society into a well-ordered society.[31]

But since those powers must be esteemed alike no matter who possesses them, what duties, if any, hold vis-à-vis those with whom one does not share coercive structures? If respect for moral powers by itself is strong enough to push for a well-ordered society *among those who share coercive structures*, this will be so because it is strong enough to impose a duty to help *anybody* endowed with those powers in the creation of an environment in which they can be exercised in the first place. Impartiality in the respect for persons with these powers demands as much, but it does then demand different measures depending on whether one actually shares coercive structures with another person, or not. This view is only reinforced by the point that an environment in which those moral powers can be exercised is also an environment that triggers economic

[31] *Well-ordered* societies possess institutions in which individuals are at least recognized as citizens entitled to the protection of human rights and to a legal system guided by a "common good idea of justice" (LP, 66) and have adopted these institutions based on a picture of personhood. The *liberal* societies among them go further, recognizing "that persons are citizens first and have equal basic rights as equal citizens" (LP, p 66), but decent hierarchical peoples part company here. For the present argument, what well-ordered societies have in common suffices.

growth: good institutions are required for both. So consistency in the impartial application of the respect in which the moral powers are held entails a duty to assistance in the absence of shared coercive structures. As Rawls points out, it is the statesman's obligation to ensure that duty will be implemented, by transforming self-interest gradually into affinity (LP, pp 112/3).

Now that these arguments are on the table, we can address one question that neither section 2 nor section 3 was equipped to address. That question is what element of the argument of this study defeats the view that we should transfer massive amounts of money or other resources to the global poor, regardless of whether such transfers can be understood as contributing to institution building? The social-science results in section 2 cannot tell us that such transfers do "not make a difference" and thus are ruled out on such grounds: those results only tell us that, *so far*, good institutions have been the key to economic prosperity, which in turn gives us a reason to think of institution building as included in development assistance. The arguments in section 3, then, show that, once appropriate institutions have been built, no *further* redistributive duties exist, but they do not show that there is no straightforward duty to transfer money or resources *quite regardless* of any such cut-off point. What has been missing so far is reasons demonstrating why assistance should be directed at putting people in a position to help themselves.

The arguments just given provide such reasons. This is obvious for the self-interest argument and the consistency argument (the second moral argument), but it is also the case for the first moral argument using the original-position device. For if it is indeed possible to offer support to the global poor in a manner that will eventually put

them in a position to take care of themselves, then a duty to do so would, in that original position, be chosen over a duty that prescribes transfers without a cut-off point and without the prospect that, eventually, the targets of assistance will be able to take care of themselves. From the standpoint of self-interested parties that find themselves behind the relevant veil of ignorance, a duty that ceases to apply once the target group is in a position to help itself will be easier to defend than a duty that demands a transfer without that transfer being tied to such a condition.

4.2 Yet there is a problem with this completion of our argument. Recall that already in section 3 we encountered questions about the justifiability of states. At that stage it was sufficient to argue that a system of states without redistributive duties is *morally acceptable* in the sense of being justifiable to those excluded from them. But now that we are operating with an original-position framework we must entertain more radical questions about the political organization of the world. We must ask whether deliberators behind a suitably constructed original position would actually *support* a global order that includes such entities, and hence whether that system would not only be within the scope of what is justifiable, but would be *favored over* alternative organizational models from a vantage point that allows us not to take any organization model (in particular not a system of states) as already given.

The two most promising lines of argument in support of a state system over other forms of political organization are these. The first conceives of states largely as public good providers and argues that, on practical grounds such as efficiency or stability, public goods are best provided in large packages and in territories under unified control (i.e.,

states). The second argument focuses on the value of self-determination. The crucial components of that view are first, the idea that individuals desire to live in peoples, that is, groups tied by what Rawls, following Mill, calls "common sympathies" (LP, p 24) (i.e., not necessarily by blood-connections), groups that are, and for which individuals desire to be, the primary locus of social, economic, and political structures that persons belong to; and second, the idea that individuals desire for their people to have the right to self-determination, and that, barring unacceptable effects, this right should be granted.[32]

It is hard to assess how strongly these arguments support a state system. Pogge, for one, offers considerations that potentially undermine both. He insists that the existence of states undermines the realization of peace, security, global justice, democracy, the reduction of oppression, and the maintenance of the ecology (Pogge (2002), chapter 7). If this is true, it suggests that alternative forms of political organization will, on balance, be better at providing public goods, since the existence of states would come at too high costs. That same point would undermine the importance of self-determination as well: if a system of self-determining entities creates massive problems, self-determination should not be implemented as a feature of global political organization. It is hard to tell, however, whether these problems arise because of the sheer existence of a system of self-determining entities or because of its local failures, and its general need for reform (i.e., independence of states to be transformed into independence of peoples) – that is, because not all states correspond to well-ordered societies. It would be difficult to come by the relevant knowledge to decide whether the state system needs "reform" or "revolution" since we can only observe this one world. So

[32] For the self-determination argument, cf. Margalit and Raz (1990).

the question of how strongly these lines of argument (suitably refined, of course) support states seems rather intractable.

4.3 At this stage, looking at Rawls's notion of a realistic utopia will be useful. "Political philosophy," as Rawls explains, "is realistically utopian when it extends what are ordinarily thought to be the limits of practicable political possibility and, in so doing, reconciles us to our political and social condition" (LP, p 11). He constrains the set-up of his global original position by the condition that it deliver advice that is realistically utopian. That is why the task of the global original position is to deliver principles of foreign policy of well-ordered societies, and not to redesign the global political order: a good deal of the present order, that is, will be kept fixed. One way of motivating this is that otherwise the global original position will be set up in a manner that confronts the parties behind the respective veil of ignorance with intractable questions such as the one we just encountered, and therefore will be in no position to deliver any action-guiding advice.[33]

A realistic utopia is relative to a point in time or state of affairs. What is a realistically utopian at the beginning of the early 21st century may differ from what is generations later. Perhaps at some point what counts as a realistic utopia coincides with

[33] According to this argument, then, the global original position is constrained by epistemic considerations that are themselves motivated on the grounds that that original position is supposed to generate advice. This immediately triggers the concern that the global original position might not be a good devise to use to inquire about global justice, or at any rate, that it cannot be *both* such a device *and* a good device to obtain action-guiding advice. This may be true, but the objection I am trying to answer here is that the use of the devise of the original position will all by itself entail that a stronger justification of states is required than what we have offered in section 3 (or put differently, it is the objection that we cannot *both* use that devise to determine the moral foundations of the duties to the poor *and* continue to support a system of states). But it seems that this objection can indeed be rebutted in the manner sketched here. The following paragraph in the text will give an answer to the question of how the devise of the global original position relates to global justice.

the most plausible account of global justice. We may have reached that point: I take no stance on that matter. But it does seem that setting up the original position in such a way that self-determination of peoples is valued is necessary for the global original position to pass as realistically utopian *here and now*, at the beginning of the 21st century. Pursuing self-determination of peoples is *utopian* in the sense that, although self-determination is widely desired, many peoples are not yet self-determining. The current state system does not correspond to a system of self-determining peoples. At the same time, pursuing this ideal is *realistically*-utopian in the sense that self-determination of peoples is, *as an ideal*, already embodied in the global order, especially through occupying a central place in important UN-documents.[34]

In the pursuit of that ideal, it might also become clear that, occasionally, or perhaps even on a large scale, political, economic, or cultural reasons urge a transfer of sovereignty (thus of self-determination) to supranational organization. Within the Rawlsian model, this could be accommodated as a modification and development of an ideal originally aimed at realizing self-determination of peoples without thereby having to consider such self-determination as final once realized. That is, once self-determining, peoples might decide on transferring authority to supranational organizations. I emphasize this point because in particular the existence and development of the European Union, including its massive eastward expansion in 2004 and possible further enlargements in the near future that might lead to the inclusion of states (in addition to the Baltic states) that were part of the former Soviet Union, should not be taken to conflict with the views defended here. This development seems best understood as driven

[34] Cf. UN Charter, Chap. 1, Art. 1, Par. 2; International Covenant on Economic, Social and Cultural Rights, Part 1, Art. 1; International Covenant on Civil and Political Rights, Part 1, Art.1.

by the enlightened self-interest of self-determining peoples to begin with. However, as opposed to a global original position constrained by its being committed to the value of self-determination, most models championing alternative ideals (like Pogge's vertically dispersed sovereignty), whatever virtues they may have, are not within the range of what is realistically utopian and thus fail to provide proper guidance to action. This sort of defense of the states (in conjunction with the considerations in 3.5 that show how to justify a state to those excluded from it) is, I think, the best we can do: but I also think we can indeed do as much.[35]

A remaining concern about assuming the value of self-determination of peoples in the global original position is that membership in peoples, as Pogge (1994) suggests, may be a matter of degree, rather than a yes-no affair. Therefore, what is problematic is not only (or not so much) the value of self-determination, but the presupposition that individuals neatly fall into peoples. In response, note first that this concern affects the understanding of peoples as tied by *common sympathies* less than that of peoples as tied by blood bonds. Still, sometimes such membership is indeed a matter of degree. The idea that individuals belong to peoples should be regarded as a pragmatic simplification

[35] (1) As Buchanan (2000) points out, individuals do not now generally live in *peoples organized by their own governments*. Yet that is no objection to the claim that LP is a realistic utopia. The first goal towards realizing global justice is to make sure that appropriate groups of common sympathies are organized by governments. LP allows both for the formulation of that vision and for the formulation of a vision of how peoples should relate to each other. One may also object that Rawls's account has no larger claims to being a realistic utopia than cosmopolitanism. After all, there is a massive disconnect between peoples and existing states: getting from existing states to a society of peoples would involve breaking up some states and changing the borders of others. So policy makers today may have little use for LP either. However, self-determination is widely acknowledged as a legitimate goal of peoples, with disagreement persisting about the precise circumstances under which it can be brought about against resistance, about the legitimacy of outside help, etc. Cosmopolitan ideals are considerably less well entrenched. (2) The argument presented here, then, is one about how one should set up the global original position. In 4.1 I have argued for one addition to the way Rawls sets up that global original position to make sure that duties to burdened societies are properly considered. That addition does not seem to stand in any conflict with the limitations suggested here.

allowing for macroscopic answers to macroscopic questions, admitting more complex considerations in specific cases. In such cases, say, Pogge's proposed vertical dispersion of sovereignty, or other modes, might be appropriate as a local solution, although, by and large, the model of self-determining peoples is still appropriate.

5. Conclusion

We began by asking what we know about what makes countries rich and stable or poor and volatile. According to the best available answer, institutions are crucial for prosperity. While this institutional stance is rather unspecific, it becomes specific enough for our purposes if contrasted with Geography and Integration. Geography's point is that natural parameters are crucial for wealth, and Integration's point is that a society's dealings with others shape its prosperity. Institutions insists that it is what people do with each other within shared institutional frameworks that is crucial for their prosperity. Section 2 argued that this view has implications for the content of our duties to the poor, and section 3 that this institutional stance illuminates and supports LP's view on duties among societies. Let me repeat that Institutions is an empirical stance in an ongoing debate, and that Rawls's view will be implausible if Institutions is refuted. Still, Institutions is plausible enough a claim, and its importance considerable enough, for philosophers to explore its implications carefully.

The view of out duties to the global poor that has emerged is a complex one. On the one hand, we have argued that what is required is support in building institutions. On the other hand, we have also seen that, due to the nature of such institutions, there are some prima facie reasons that will constrain what outsiders *can* and or *ought* to do. Still, I

think these considerations together offer a framework within which one can assess what is to be done in specific cases. At any rate, it would be wrong to think that my arguments against further-reaching redistributive duties show that Rawls only requires a minimal duty towards burdened societies. Assistance in institution-building may be extremely taxing, depending on how difficult it is to build them, and depending on how reasoning about the prima facie reasons against assistance works out. So Rawls does formulate a stringent duty (shaming the status quo) in a philosophically sound manner that has a genuine chance of persuading policy-makers, while integrating normative argumentation and empirical claims in a way that does justice to both in a domain in which claims about facts and claims about values are intricately intertwined. Rawls gives us, in his words, a *realistic utopia*. He proposes a normative framework within which especially the Millennium Declaration finds its place and thus guides the way of global justice in the 21st century.

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