Equality and the New Global Order

11-13 May 2006, John F. Kennedy School of Government

Conference Report by Martin O'Neill

11 May – Foundational Questions

Introduction – Mathias Risse and Amartya Sen (Harvard University)

In their introductory remarks, Mathias Risse and Amartya Sen pointed out that, whilst globalization is certainly not a new phenomenon, its increasing rate of development in the modern world has made issues of global justice salient as never before. This conference therefore comes at an ideal time, as political philosophy is currently undergoing a substantial rejuvenation through engagement with global questions. Moreover, the complexity of the phenomena under investigation means that there needs to be serious and sustained communication between normative political philosophers and empirical economists and social scientists.

1. 'Linguistic Justice and Global Justice'

Speaker: Philippe van Parijs (Philosophy, Harvard University and Chair Hoover d'éthique économique et sociale, Université Catholique de Louvain),

Commentator: Michael Blake (Philosophy and Public Policy, University of Washington)

Philippe van Parijs commenced proceedings by examining the unduly neglected issue of linguistic justice. As van Parijs pointed out, the emergence of English as a global 'lingua franca' has had very significant effects in terms of the distribution of global benefits and burdens. We all benefit from having a stable shared language of communication, but the benefit comes more easily for those who have mother-tongue competence in English than it does for those who must bear the costs of learning English as a second (or third) language. In order to ensure linguistic fairness, we need to compensate those who have taken on the costs of learning English by giving them increased free access to intellectual property. Moreover, in order to prevent some from falling behind in a world dominated by English, we need to ban practices such as the 'dubbing' of English movies into local languages, which holds back language learning. Van Parijs further argued that, in a world dominated by English, equal dignity and respect for non-Anglophone cultures can only be protected by use of a 'linguistic territoriality' principle, whereby strict protective language rights should be enshrined within non-Anglophone countries. Van Parijs concluded his talk by considering some issues about the justice of immigration and border controls, and by outlining the importance of linguistic justice as a *precondition* for global justice.

In his response, Michael Blake outlined the philosophical presuppositions of van Parijs's approach, which he characterized as a form of 'cosmopolitan egalitarianism'. As an alternative, Blake argued for a more 'statist' approach to global justice, and emphasized the ways in which a legitimate commitment to cultural preservation might legitimately lead some countries to do more than van Parijs would allow to combat the growth of English. Rather than banning 'dubbing', Blake suggested that it might involve a failure of cultural respect to make the French or Quebecois watch Seinfeld in the original language!

2. 'Helping the Distant Needy: Failures of Rational Altruism'

Speakers: Allen Buchanan (Philosophy, Duke University) and Robert O. Keohane (Politics and Woodrow Wilson School of Public and International Affairs, Princeton University)

Commentator: T. M. Scanlon (Philosophy, Harvard University)

In their presentation, Buchanan and Keohane addressed a puzzle about development aid and moral motivation. Even though there is widespread agreement that the affluent should give more than they do to the world's poor, they nevertheless fail to do so. So, can we explain this 'Global Altruism Gap' and, if so, what can we do to reduce or eliminate it? Arguing against the 'Standard View' which simply takes altruistic motivation to be too weak, Buchanan and Keohane instead maintained that institutional solutions can move us more closely towards full fulfilment of our altruistic obligations. They advocate the development of strong institutions that can overcome problems of inadequate information, collective action and assurance, and which can therefore provide the background against which individuals can be fully 'rationally altruistic'.

In his commentary on Buchanan and Keohane's proposals, Tim Scanlon began by taking issue with the issue of whether this problem is best regarded as relating to 'altruism', or whether we should instead conceptualize duties to aid the developing world in terms of more specific contractualist duties. But, although Scanlon's approach suggests a different way of understanding the underlying philosophical issues that are at stake, he could still applaud the institutional experiments and innovations that Buchanan and Keohane urge us to undertake.

3. 'The Future of Global Equality'

Speaker: Leif Wenar (Philosophy, Sheffield University)

Commentator: Matthias Kumm (Law, New York University)

Leif Wenar's wide-ranging paper addressed a number of foundational issues in the theory of global justice. Against the prevalent view that demands of equality kick-in only *within* states, Wenar was concerned to justify the cosmopolitan position that equality should also be a demand that finds its place within our thinking about social and economic relationships *across* states. Nevertheless, Wenar suggested that the demands of global equality are not absolute, and have to be weighed against the benefits that are generated by a world of self-determining states, with substantial discretion in the socioeconomic sphere.

In his response, Mathias Kumm was broadly welcoming to Wenar's approach to these issues, identifying the approach that Wenar advocates as a species of 'constructive cosmopolitan' view. He also drew instructive contrasts between Wenar's approach and the more institutional views associated with writers such as Thomas Nagel and Michael Blake.

4. 'What Kind of Global Institutions will Accelerate Global Economic Catch-up?'

Speaker: Dani Rodrik (Kennedy School of Government, Harvard)
Commentator: Joshua Cohen (Politics and Philosophy, MIT)

In contrast to the philosophical inquiries of the previous session, Dani Rodrik provided an economist's view of the central empirical questions about development in the world's poorest countries. Rodrik pointed out that the conventional development debate focuses too heavily on market access and foreign aid, neither of which are likely to be sufficiently reliable sources for global economic 'catch-up'. Real economic progress comes with the availability of discretionary 'policy space' for individual states, that allows them to find different ways in which to increase their economic productivity. The excessive market discipline that is often imposed on developing countries often leads to a close-down of this available 'policy space', and thereby to disappointing development results. It is a paradox of globalization that those countries that have done best in terms of economic development (China, Vietnam, and India, for example) have not 'abided by the rules' as closely as others. With all this in mind, Rodrik suggested a broad range of policy solutions that might be used to aid development – including the incorporation of a development dimension into international agreements, the institution of a financial transaction tax, and the end of the 'monopoly' of the World Bank in disseminating policy advice to developing countries. Rodrik also suggested that more open borders could be a great boon to development, perhaps through the institution of 3-5 year 'guest worker' programs for citizens of developing countries to spend time developing their human capital in the more developed countries.

In his remarks, Josh Cohen sketched some problems with Rodrik's institutional proposals, and emphasized the degree to which, given the good of collective self-governance, the opening up of 'policy space' could legitimately lead to some divergence in living standards. He also addressed the transformed role of the IMF and World Bank under Rodrik's proposals – as institutions that no longer offered strictly prescriptive policy guidelines, but instead pooled information about policy experiments, gave pluralistic policy advice, and served as a mechanism for promoting mutual accountability.

12 May – Institutions

1. 'Labour Regulation in a Globalizing World'

Speaker: Kaushik Basu (Economics, Cornell University)
Commentator: Sabina Alkire (Global Equity Initiative, Harvard)

Kaushik Basu's talk focussed on the problem of regulating labour markets in poor countries. Whilst we might like to enforce standards against child labour and in favour of workers' rights, we need to be careful with regard to situations where labour regulation can leave everyone worse off – for example, when restrictions on child labour in Nepal forced children from working in shoe factories to working in the sex trade. Basu suggested that, whilst we should maintain adherence to Pareto optimality – that is, of always following policy choices that make at least one party better off without making anyone else worse off – we can nevertheless give some secondary weight to 'inviolable preferences', which are those preferences that workers may have (for example, against sexual harassment) which we think should be 'costless' for those who hold the preference. He thinks that we should also be acutely aware of how the presence or absence of labour regulation can have effects on third parties, who are not directly involved in the particular contractual relationship between an employer and employee.

In her remarks on Basu's proposals, Sabina Alkire brought some pressure to bear on Basu's commitment to the Pareto principle, questioning whether we should always be committed 'Paretians', or whether some values might be worth pursuing even when that pursuit does not leave everyone at least as well-off as they were. Drawing on the work of Amartya Sen, Alkire examined the role of the *quality* of available choices in assessing the value of individual market choices, and examined the role that might be played by an appeal to the *intrinsic* value of work.

2. 'Global Inequality and Rules of Redistribution: Introducing Global Welfare Agency'

Speaker: Branco Milanovic (World Bank)

Commentator: Sanjay Reddy (Economics, Columbia University)

Milanovic pointed out in his presentation that, at the *national* level, we generally accept that the minimum requirement on redistribution is that the transfers should be progressive – that is that they involve a flow from richer to poorer individuals. He suggested that the same rule should hold at the global level and that, in order to meet the requirements of this rule, it is not sufficient that transfers be from a richer to a poorer country. In usual circumstances, we do not know who are the taxpayers who finance international aid nor who are the beneficiaries. We can nevertheless establish the rules such that the likelihood of a globally regressive transfer is minimized. This implies taking into account countries' national income distributions, by penalizing countries with highly unequal distributions (since there exists a non-trivial probability that the transfers may be received by people richer than rich countries' taxpayers who finance such transfers). With this policy goal in mind, Milanovic then proposed criteria for changing eligibility criteria for international aid. He also advocated the introduction of a Global Welfare Agency, the role of which would be to facilitate global redistributive transfers from rich to poor individuals, perhaps financed through a 'Tobin Tax' on financial transactions.

In his response, Sanjay Reddy welcomed Milanovic's concentration on inequality and distributive issues with regard to international aid, but questioned his concentration on individual wealth levels, rather than a broader approach that looked at the provision of public goods. Reddy pointed out that an undue focus on avoiding regressive measures in the short run may have bad long run consequences, as sometimes there are occasions when investing in a developing country's elites (as in the case of funding higher education) can have generally beneficial consequences in the long run.

3. 'Fairness in Trade'

Speaker: Mathias Risse (Kennedy School of Government, Harvard University)

Commentator: Judith Goldstein (Political Science, Stanford University)

In this session, conference organizer Mathias Risse presented his theory of the topical question of trade fairness. He addressed problematic situations where there seems to be unfairness in the conditions under which countries engage in commercial trade relationships, perhaps because one of those countries oppresses its workers and the other does not, or because social standards are lower in one country than in another, or otherwise because one country offers subsidies to some of its

industries whilst the other does not. Risse argues against the plausibility of a 'Strong Westphalian view', according to which trade policy is every country's own and exclusive affair, with no considerations of fairness obtaining between trading partners. Instead, Risse defended the 'Weak Westphalian View', according to which every country's trade policy is subject to constraints of fairness. On this view, production processes must not harm other countries; the effects of trade must be distributed in such a way as to avoid negative rights violations; protectionism can be justified when world market prices are the result of unacceptably low social standards in foreign countries; and trade policies must be designed in such a way as to be consistent with rich countries' duties to poor countries.

In her response to Risse's paper, Judith Goldstein raised a number of questions of detail for Risse's account. She interrogated the conceptions of oppression and fairness at work in his presentation, and addressed the question of whether Risse's approach should be sensitive to considerations other than wage-levels and labour standards.

4. 'Conceptions of Global Fairness'

Speaker: President Lawrence Summers (Harvard University)
Commentator: Jonathan Wolff (Philosophy, University College London)

Lawrence Summers brought a unique perspective to his treatment of issues of global fairness, as someone who had worked at the highest levels both of domestic government (as Secretary of the Treasury) and within global institutions (as Chief Economist of the World Bank). Summers pointed out that, in both roles, he had often found himself facing tremendously difficult practical ethical dilemmas, which he felt under-equipped to handle, and with regard to which he (and others in similar positions) could benefit from more concrete guidance from ethicists and political philosophers. To illustrate these policy conundrums, Summers gave three examples. Firstly, there is the problem of aggregating effects on domestic as against foreign citizens in making policy choices. For example, we may have a situation where reducing a US trade barrier would massively increase the well-being of tens of thousands of Pakistani citizens, but would nevertheless leave a smaller number of American families substantially worse-off than they otherwise would be. Summers pointed out that both of the starkest approaches – that is, of treating everyone in the world as having exactly equal weight (the pure cosmopolitan view) or of completely disregarding effects on non-citizens (the pure nationalist view) – seem unacceptable. The first is too idealistic, especially within a democratic polity, whilst the second is too heartless. The second kind of issue relates to choosing between benefits to known or visible beneficiaries, as against invisible or unknown beneficiaries – as when we must choose between

funding for the *prevention* of the spread of HIV/AIDS in Africa, as against the *treatment* of those who already have the condition. The first policy may be more efficient in terms of lives saved per dollar spent, but we nevertheless tend to think that we owe more to those who are, in reality, already suffering, that we do to those merely 'statistical individuals' whose lives we save through policies of prevention. Summers's third puzzle involved intergenerational issues, where our actions now will effect those who will live in the future. Global warming provides us with policy problems whereby we must choose the degree to which we are prepared to impose sacrifices on those currently alive, so as to benefit those who will live after us. Summers's presentation thus threw down the gauntlet to philosophers, in appealing for help in brining clear normative thinking to bear on real political problems.

In his response to Summers, Jonathan Wolff raised a general issue relating to different styles of ethical reasoning that we might employ. Whilst the first kind of approach is general and principled, the second is more contextual and particularist. Summers's questions seemed to demand a response of the first kind, but sometimes the second kind of approach seems to be the appropriate one. Nevertheless, in the discussion that followed, a number of more principled approaches to Summers's questions were proposed, from among the broad range of moral and political philosophers – consequentialist or contractualist in their approach – who were gathered in the room. Tim Scanlon and Frances Kamm suggested how one might have a principled approach to these issues that looked more carefully at *specific duties* that we might owe to others, as against general aggregative duties to benefit or save from harm, whilst Dan Brock raised some interesting issues about aggregation, rationality and (to use Rawls's phrase) 'the separateness of persons'.

13 May – Global Public Health

1. Incentives for Pharmaceutical Research – Must they exclude the global poor from advanced medicines?

Speaker: Thomas Pogge (Political Science, Columbia University)
Commentator: Ani Satz (Law, Emory University)

Thomas Pogge's paper addressed the problem of spreading the benefits of developments in pharmaceutical technologies to the global poor. Because of stringent protections of intellectual property rights (IPR), many drugs that could help those in the developing countries are not generally available to those who need them most. Moreover, because there is more money to be made in curing the diseases of the rich, a disproportionate amount of pharmaceutical research budgets are

directed at those diseases, at the expense of research into alleviating the conditions that affect the global poor. Pogge's solution to these problems is to develop innovative institutional solutions that can do more to align the incentives offered to the pharmaceutical industry with the interests of the global poor – for example, through awarding money to pharmaceutical companies from public funds in proportion to a drug's effect in reducing the global burden of disease. This could be done alongside putting essential drugs outside the standard IPR regime, and instead placing them in the public domain.

In her response to Pogge, Ani Satz welcomed his way of addressing these problems, but raised a number of more specific problems for Pogge's approach. Satz suggested that the prospects for Pogge's scheme might be limited both on grounds of cost, and also because of its running up against the long traditions of IPR protection in American law. Satz nevertheless suggested that a more modest version of Pogge's proposals might be implementable, perhaps with regard to the targeting of specific diseases.

2. Women's Health: Are Global Inequalities Greater than those for Men?

Speaker: Ruth Macklin (Albert Einstein College of Medicine)
Commentator: Rebecca Cook (Law, University of Toronto)

Ruth Macklin's talk addressed the many ways in which women – especially in the developing world – face social and cultural obstacles to good health. Obstacles to women's health can be rooted in customs and cultural norms (for example, in the practice of female genital mutilation, or because of the normalization of gender-based violence), and can be exacerbated because of the subordinate social status of women in many societies. In many cultures, women do not have free access to health services, because their autonomy is limited by patriarchal family structures. Because of resistance to condom-use in many African countries, and the fact that women are biologically more liable to HIV infection in heterosexual intercourse, the rate of HIV infection for women aged 15-24 is 2.5 times higher in sub-Saharan African than it is for men in the same age cohort. Macklin argued that, although some differences in health outcomes between men and women is due to natural biological differences between the sexes, it is nevertheless the case that many health problems faced by women in the developing world are a direct result of forms of social marginalization and oppression.

Rebecca Cook's response to Macklin took the response of a 'complementary' presentation, that stressed the role of cultural norms in the 'social construction' of ideas of gender. In the discussion that followed, the comparative question posed by Macklin's title was given more room for

exploration, especially given the significant background fact that, almost everywhere in the world, women's life expectancy is greater than that of men.

3. 'International Health Inequalities and Global Justice'

Speaker: Norman Daniels (School of Public Health, Harvard University)
Commentator: Elizabeth Ashford (Philosophy, St Andrews University and Harvard University Center for Ethics)

Norman Daniels presented a detailed and thorough *tour d'horizon* of the relationship between health inequalities and background issues concerning global justice. On Daniels's view, health inequalities are unjust when they result from an unjust distribution of socially controllable factors affecting population health. Thus, to understand when health inequalities are unjust we need first to have in place a background account of justice. Whilst we tend to have the intuition that gross inequalities in health outcomes between different countries must be unfair, we need first to give an account of whether the demands of justice really do obtain across international borders, and so we need to address the question of whether we should take a cosmopolitan or a 'statist' view about justice. Daniels suggested that the 'strong statism' of Nagel, Rawls and Blake is unsustainable, and (following the work of Joshua Cohen and Charles Sabel) sketched an approach that considers the 'intermediate' obligations of justice that may arise from international conditions of institutional cooperation and interdependence. In setting a forward-looking bioethics agenda, Daniels argued that we need a better understanding of intermediate institutions (such as the World Bank, IMF, ILO, WTO, etc.) and their effects on health and health inequalities, and we need to develop a convincing and sustainable account of global justice that does a good job of mediating between our intuitions and our best philosophical understanding of the requirements of justice.

In her response, Elizabeth Ashford developed a line of thinking that was broadly sympathetic to Daniels's approach. Like Daniels, Ashford agreed that the 'minimalist approach' (associated with Thomas Pogge) of simply not *harming* the global poor may be an unpromising way of addressing these problems, and so she instead advocated a 'moderate cosmopolitan' alternative. On Ashford's 'moderate cosmopolitan' view, obligations to ensure basic levels of health and healthcare exist across borders, whilst we need concern ourselves with the provision of more advanced health-related goods only within the borders of national communities.

4. Global Patterns of Income and Health: Facts and Implications

Speaker: Angus Deaton (Economics and Woodrow Wilson School of Public and International Affairs, Princeton University)

Commentator: Gopal Sreenivasan (Philosophy, University of Toronto)

The conference ended with a presentation that underscored the tremendous complexity of the relationship between wealth and health throughout the world, and which also emphasized the importance of careful empirical work as a precondition for meaningful normative engagement with issues of health and global justice. With a plethora of detailed statistics, Angus Deaton showed that global inequality is larger in a space that includes both income and health than in a space of income alone. The poor of the world are not only many times poorer than the rich of the world; they are also sicker and live shorter lives. Global poverty is deeper and global inequality wider than is recognized by measures that look only at income. Deaton then argued that these wider inequalities that obtain when we take health into account strengthen the moral obligation to act, beyond what would be the case based on income poverty or income inequality alone. It is well established that gains in income are associated with gains in health in poor countries, but that continued gains in income above a certain level seem to bring much less marked advantages (i.e. in rich countries). Nevertheless, although income and health are correlated in this way, it is much more difficult to give a clear account of the relevant causal relations between the two. Deaton further noted that many of the gains in life expectancy associated with rising incomes in poor countries are associated only with a reduction in infant mortality, rather than with any real rise in population health and well-being. Deaton suggested that the real-world causalities with regard to income and health may be very complex – perhaps what really matters is institutional quality in developing countries, and that it is this factor that drives both health and wealth improvements. Deaton ended with a plea for better data as a precondition for future empirical work, and made the partly worrying, but partly encouraging, suggestion that incentive pressures in the developed world might have the twin effects, in the coming years, both of driving up the life expectancies of the global rich, but also of widening inequalities between rich and poor.

Gopal Sreenivasan, responding, suggested that, although Deaton had cast doubt on the most simple accounts of the causal relationship between income and health, it still remained possible that income was one significant factor, among others, that determined population health. Sreenivasan further suggested that a 'distribution constraint' may operate with regard to the health benefits of increased national income, such that beneficial effects were more closely associated with more egalitarian societies. One reason that economic growth, considered in the aggregate, may fail to drive

improvements in population health may simply be that 'trickle down' effects fail to work. Given this, it may well be that what we need in order to improve health in the developing world is not so much to ensure that the developing world undergoes vigorous economic growth, but to further ensure that the fruits of that growth can be fairly distributed within those counties.