Thomas Pogge and His Critics
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Every Night & every Morn
Some to Misery are Born.
Every Morn & every Night
Some are Born to sweet Delight.
Some are Born to sweet Delight,
Some are born to Endless Night.

(William Blake, “Auguries of Innocence”)

This was a tremendous idea – that to find something out, it is better to conduct some careful experiments than to carry on deep philosophical arguments.

(Richard Feynman, Lectures on Physics, 7.1)

1 A Strong Thesis

Global poverty is a human disaster. It brings great misery, ruins vast human potential, and is visited on a billion people who were born to it. Moreover, the problem – focusing here on extreme poverty, people living on less than a dollar a day (an arbitrary line, of course) – is not resource scarcity, but an awful mismatch between available resources and human needs. To be sure, the conjunction of continued population growth and the global income growth needed to address extreme (and severe, but less extreme) poverty will make genuine resource scarcity
a large concern, requiring technological innovation and not simply institutional renovation or better distribution. But the mismatch of resources and human needs is and, absent concerted efforts at remedy, will likely remain a pressing concern.

Less clear, however, are the sources of extreme poverty and the range of remedies that might combine to alleviate it. Thomas Pogge apparently disagrees. In *World Poverty and Human Rights*, and several subsequent essays, he asserts that there is considerable clarity on sources and especially on remedies, at least to this extent: suitable changes in some global economic rules — in fact, “minor modifications in the global order that would entail at most slight reductions in the incomes of the affluent” (SPH30) — would eliminate most of the problem of extreme global poverty. I will call this claim about the impact of appropriate global rule changes the Strong Thesis:

*Strong Thesis:* Most of the global poverty problem could be eliminated through minor modifications in the global order that would entail at most slight reductions in the incomes of the affluent.

I do not see a case for this striking assertion. Before explaining why I want to make three points of clarification.

Though “minor modifications” and “global order” leave much room for interpretation, the thrust of the Strong Thesis seems clear enough, and I am not going to say anything about *most, minor, or slight*. As for “global order,” it comprises treaty- and convention-based rules about security, trade, property rights, human rights, and environment: rules that govern global rule makers, the norms and standards associated with territorial sovereignty, policies adopted by global rule-making bodies (say, TRIPS or the decisions of the World Trade Organization’s [WTO] Appellate Body), and the security and assistance policies of the world’s most powerful states. To be sure, the global order is not a well-defined system. Consider, for example, labor standards. There are now some 10,000 “private voluntary codes” adopted by firms as codes for their suppliers. Are these rules themselves part of the global order? Should we count (non)compliance by suppliers and subcontractors as part of that order? How much does it matter in answering these questions that lead firms could do more to foster compliance, that national labor ministries could do more (especially if they cooperate with firms), that labor standards could be incorporated into trade rules? I am not sure these questions, matters of classification that may not track morally relevant distinctions, are
worth asking. But because of the uncertainties about the answers, I will try to make the argument independent of the precise characterization of that order.

2 Pogge presents his Strong Thesis as part of a more general normative outlook. The core of the outlook is that the global order harms the global poor, harms them by treating them unjustly, unjustly treating them by violating their human rights, violating those rights by enforcing rules that could be changed in ways that would relieve most of the world’s extreme poverty. More pointedly – de-reifying and personalizing – we harm the global poor, we citizens of rich countries, by imposing (at least through culpable complicity) current global rules, and by not making the poverty-alleviating rule changes that would address most of the problem. My focus is the Strong Thesis itself, not the normative ideas about harm, rights, and justice that surround it.

3 The Strong Thesis is not that changes in global rules are the only way to reduce extreme poverty. With fixed global rules, countries could (consistent with the Strong Thesis) succeed in moving large numbers out of poverty, as has happened in truly remarkable numbers over the past three decades in China (of course, most countries do not have more than a billion people in their internal markets, but a number of other countries achieved “fast, sustained growth” in the post-World War II period, including Botswana, Brazil, Hong Kong, Indonesia, Japan, the Republic of Korea, Malaysia, Malta, Oman, Singapore, Taiwan, and Thailand). The Strong Thesis says that changes in global rules would suffice to eliminate “most severe poverty” (SP77), and we would not now be seeing these effects if the global order had been designed differently. According to the Strong Thesis, “radical inequality and the continuous misery and death toll it engenders are foreseeable reproduced under the present global institutional order as we have shaped it. And most of it could be avoided [emphasis added] . . . if this global order had been, or were to be designed differently” (SPV55).

It seems to me indisputable that there is much that wealthy countries and global rule makers could and ought to do, and that citizens of those countries share responsibility for extreme poverty and its alleviation. The Strong Thesis is, however, entirely speculative, unwarranted by available evidence and argument. I see no reason to accept the claim that changes in global rules would suffice to lift most of the terrible poverty that so many people suffer from. In particular, I see no case for the claim that such changes will suffice holding domestic institutions fixed, and no reason to think that they will suffice by
changing incentives and opportunities in ways that induce poverty-alleviating changes in domestic institutions. I will also suggest along the way that, for much of the interesting action about poverty alleviation and economic development, the question “domestic or global?” – as in the labor codes example mentioned earlier – is not very helpful and probably misleading.\(^6\)

Two larger points frame my discussion of the Strong Thesis and the shortfall between argument and assertion. First, on political philosophy and social science: explorations of human possibility – especially the attractive possibilities that John Rawls called “realistic utopias” – are the central and irreplaceable work of political philosophy.\(^7\) Done right, such explorations are not (as in a common caricature) wish lists or fanciful inventions, but are subject to demanding intellectual constraints, including the constraints on showing that an ideal is a realistic possibility for human beings, an object of reasonable hope, compatible with our nature, realizable under the conditions of social life as they might be, and perhaps accessible from where we now are. The demands of that enterprise are very different, however, from the comparably serious intellectual constraints on the social scientist’s efforts to show what is actually the case, identify causes, estimate the magnitude of their effects, and understand what benefits might be achieved with available social levers, and at what costs. Abstractly stated, these points are obvious: while political philosophy draws on social science, it is not social science. But they too often suffer neglect. They are neglected by social scientists who, conflating fact and norm, endorse the caricature of political philosophy as fanciful invention. And they are neglected by philosophers who, conflating norm and fact, give insufficient attention to the distinction between exploring a hopeful possibility, a way the world might be, and showing what is the case.

Second, on theory and practice: extreme global poverty is of commanding moral importance, and we should not be distracted in efforts to address it by unwarranted confidence in particular diagnoses and strategies. At any level of resolution that bears on practice, it is misguided to say that we know what needs to be done, and that the problem is simply to muster the will to do it. Uncertainty is no reason for paralysis. But it does recommend humility,\(^8\) provide a case for diversifying efforts in the hope of learning something, and suggest that we should think about development and poverty alleviation as arenas for evaluation, organized learning, and attention to local knowledge and circumstance rather than as arenas for implementing sweeping preconceptions.
2 Possible and actual

Before getting to the details of Pogge's view, I want to illustrate my general concern about philosophy and social science – and introduce some distinctions that I will draw on later – by discussing a striking example of the shortfall between argument and assertion. In *World Poverty and Human Rights*, just before a discussion of “The Causal Role of Global Institutions in the Persistence of Severe Poverty,” we find the following remarks:

Social scientists [provide for the most part] “nationalist” explanations which trace flaws in a country's political and economic institutions and the corruption and incompetence of its ruling elite back to this country's history, culture, or natural environment. Because there are substantial differences in how countries, and the incidence of poverty within them, develop over time, it is clear that . . . nationalist explanations must play a role in explaining national trajectories and international differentials. *From this it does not follow, however, that the global order does not also play a substantial causal role* [emphasis added] by shaping how the culture of each poor country evolves and by influencing how a country's history, culture, and natural environment affect the development of its domestic institutional order, ruling elite, economic growth, and income distribution. In these ways global institutional factors might contribute substantially to the persistence of severe poverty in particular countries and in the world at large. (WP112)

The italicized logical point about the consistency of national and global explanations is right. Suppose a country suffers from severe poverty because of its institutions – say, absence of an effective rule of law or arrangements for official accountability or decently functioning markets. It does not “follow” that the global order is relieved of responsibility.

To see how, let us first put aside a familiar kind of story – call it Combined Effects – about the joint role of national and global factors in explaining extreme poverty. The familiar story might be expressed in a time series model of intertemporal variations in country-level poverty. The model includes, let’s say, a bunch of independent variables, and we want to test for both domestic and global factors: variables for rule of law, regime type, per capita income, resource dependence, global trade-openness (measured some way or other), global aid commitments, and stringency of global norms on debt repayment. We start, say, with a specification that is confined to the domestic variables, and find substantively and statistically significant
estimates for the coefficients. But of course it does not follow from the fact that domestic factors matter that global factors do not matter as well. When we add the global variables, we may account for more of the variance, and conclude that both domestic and global factors matter. So far, so familiar.

Pogge’s point about national and global is entirely different from Combined Effects. He imagines someone asserting what he calls the Purely Domestic Poverty Thesis (PDPT), that extreme poverty is fully explained by internal factors (history, geography, culture), a view that strikes me as pretty obviously wrong:

*Purely Domestic Poverty Thesis:* “The persistence of severe poverty is due solely to domestic causes” (AGP265).

Even if variations in poverty are fully explained by domestic factors, he argues, global factors might also be important causes and remedies of extreme poverty. Logically speaking, there are two ways this might be true.

First, *Independent Effects.* Both domestic conditions and global rules may be independently and fully responsible for cross-national or intertemporal variation in poverty rates, meaning that a change in either would have been (and would now be) sufficient to alleviate the extreme poverty in a country (SPV63). Consider a highly stylized hypothetical. Suppose extreme poverty in a country would be relieved by easy access to iron pills that would cure widespread anemia and thus increase work effort. Universal access to the iron pills could be financed either by a price change – say, a change in global patent policy that would significantly reduce the price – or by a domestically financed subsidy – say, increased taxes on a wealthy domestic elite, with the revenues used to pay for the pills at existing prices. Either price change or subsidy suffices for addressing the extreme poverty. Domestic elites could keep their extravagance if patent policy changed prices; pharmaceuticals could keep their extravagance if domestic elites used their resources more decently. An explanation of poverty that emphasizes the domestic roots of resource (mis)allocation in a corrupt elite culture, does not, then, undermine a case for global responsibility, which says that poverty is a product of global rules that limit availability of medicine. Each remedy (in this wildly stylized example), working separately, would fully address the problem.

The second reconciliation of global and national I will call *Endogenous Institutions.* Here, the idea is not that the extreme poverty could be lifted even with bad institutions held constant, but that bad
institutions are substantially explained by global rules. So changes in
global rules would alleviate extreme poverty not by operating independ-
dently of domestic factors but by shifting domestic political incentives
and opportunities in ways that transform domestic institutions and
policies.\footnote{Jaggar—Thomas Pogge and His Critics}

To illustrate: consider the argument that bad institutions (inducing
low growth and high poverty) are the legacy left by colonial powers
looking to extract natural resources from places where natives of the
colonial country did not want to live (say, because the environment is
unhealthy for them), a legacy sustained by a powerful inertia of extrac-
tive colonial institutions.\footnote{Jaggar—Thomas Pogge and His Critics} Suppose now that someone says that bad
domestic institutions – with poorly defined property rights, an absence
of any limits on or accountability of officials, limited capacity to
resolve conflict, and sharp restrictions on social mobility – explain
extreme poverty. They have not excluded a global rule-based explana-
tion, because global factors may in turn explain the bad institutions.

Although this example shows the compatibility of domestic and
global explanations, it imperfectly illustrates Pogge’s story about
global rules in three essential ways. First, the imposition of extractive
colonial institutions operated several hundred years ago, whereas
Pogge emphasizes global rules since 1980 (SPV55). Second, if there is
significant institutional inertia, there is no obvious implication about
what to do now to remedy the long-standing national-level effects.
And third, the case (as described) works through external imposition,
not by enforcing global rules that create domestic incentives and
opportunities.

Consider, then, a second illustration, drawn from discussions of
rules on repudiating odious debt (a topic I return to later).\footnote{Jaggar—Thomas Pogge and His Critics} Suppose
that international law includes an exceptionless rule of repayment,
requiring governments to repay debt incurred by a previous regime,
regardless of its repressiveness and of how it squandered the money.
Those rules arguably increase the benefits of controlling the state,
encourage more ruthless elites to aim for power by increasing expected
returns to control of it (getting control of the government vastly
increases your borrowing power), and enable those elites to buy
weapons to maintain their power by killing the opposition. In short,
global credit market rules establish incentives and opportunities that
encourage bad domestic institutions. Alternative rules on debt repay-
ment might establish exceptions to the rules of repayment, say, requiring
an ex ante announcement of which borrowers you should not lend
to, except on certain well-specified and monitored conditions about
the use of the credit. This change might help to reduce poverty by
reducing economic returns to autocratic rule, thus fostering different institutions. It is essential to the story that the institutions have not only, as an historical matter, been shaped by the rules, but that they are highly responsive to changes in the global rules, and the incentives and opportunities created by those rules.

It is difficult to rest much confidence in such arguments. Generally speaking, arguments from changing rules to changing outcomes are complicated, and much depends on details. I will return to these issues later. My aim here is simply to illustrate the logical point that domestic explanations need not undermine explanations in terms of global rules.

The logical point is, however, of limited substantive relevance. Global rules might explain the bad institutions, but then again, they might not. We want to know if they do. Aware of this limited substantive relevance, Pogge adds that “global institutional factors” do “contribute substantially to the persistence of severe poverty in particular countries and in the world at large,” proposes to “show that this is indeed the case” (WP112), and then, in a few pages, claims to “have shown how two aspects of the global economic order [the resource and borrowing privilege, to be discussed later] contribute substantially to the persistence of severe poverty” (WP115, emphasis added).

The idea, in essence, is that returns to autocratic rule are very sensitive to global rules on resource ownership and access to finance, that political competition in a country is very sensitive to these rates of return, that current global rules induce very high returns to autocracy, and that autocracy accounts for much of the world’s extreme poverty. I will explore these issues later. My point here is about what has been shown. An argument of this brevity is insufficient for any empirical thesis worth exploring. It falls well short of what is needed for an ambitious claim about the impact of one part of a complex social-economic order on another part, an argument that depends in particular on highly contested claims about behavioral and institutional responsiveness in a country to shifting external rules – themselves established and enforced by a range of competing external actors – with uncertain influence of the rates of return to political activity. There is a large gap between might explain and does explain: between noting that a global rule-based explanation of most extreme poverty can coexist with explanations focused on domestic conditions and showing that current global rules do contribute substantially to variations in domestic poverty. That gap simply cannot be filled in a few pages. Social science is not that easy.
3 Clarifying the Strong Thesis

To sharpen the terms of discussion, I want to locate the Strong Thesis in a space of claims about global rules and extreme poverty, and then explain why I focus on the Strong Thesis.

3.1 Most or some?

Pogge says that the current global order has caused and continues to cause most of the world’s severe poverty. That order comprises rules that are enforced, and which could be different; moreover, were the rules changed in the right ways, we would eliminate most extreme global poverty (see, for example, SVH30). Thus,

**Strong Thesis**: Most of the global poverty problem could be eliminated through minor modifications in the global order that would entail at most slight reductions in the incomes of the affluent.

Elsewhere, Pogge mentions the weaker thesis that “most” of the current “radical inequality and the continuous misery and death toll it engenders . . . could be avoided . . . if [the present global institutional order] had been, or were to be, designed differently.” This thesis is weaker because it does not say that the relevant changes in global rules are “minor” or that the income reductions required of the affluent are “at most slight.” But it preserves the essential claim about the magnitude of the effects:

**Strong Thesis B**: Most of the global poverty problem could be eliminated through modifications in the global order that would not result in any injury to those who are now better off that is in any way comparable to the injury now suffered by the world’s poor.

Because of their claims about the magnitude of the effects, both the Strong Thesis and Strong Thesis B are considerably stronger than the Conventional Thesis, which says that some changes in global rules would alleviate some extreme poverty:

**Conventional Thesis**: Some global poverty could be eliminated by changes in global rules that would not themselves result in serious moral injuries.

This claim (associated with what I earlier referred to as Combined Effects) is essentially a rejection of the Purely Domestic Poverty Thesis,
that extreme poverty is due “solely to domestic causes.” Though relatively uncontroversial, the Conventional Thesis is, morally and practically speaking, of extraordinary importance, and provides sufficient reason for concerted action. But it is widely accepted and vastly less ambitious than the Strong Thesis.

Consider, for example, Paul Collier’s observation that “everyone knows” that OECD trade policy has “indefensible aspects.” Agricultural protection probably is near the top of everyone’s list.

When US and European Union trade negotiators jointly proposed that instead of the OECD lowering these production subsidies poor countries might shift to other activities, I personally felt they had crossed the line beyond which the normal diplomatic act of lying for your country becomes too shaming to accept. The US South really does have alternatives to cotton . . . . But cotton growers in Chad?\(^{15}\)

But we should be cautious about inferring the nature and magnitude of the effects of a policy change from the magnitude of the shamelessness. According to a World Bank estimate, a complete elimination of all trade barriers in agriculture and manufactures would produce a $22 billion gain for developing countries.\(^{16}\) The resulting dent in extreme poverty would likely be pretty small because most of the direct benefit would not be captured by the extremely poor, or even by the poorest countries, but, for example, by Brazilian cotton exporters and Argentine beef exporters. That is no reason for hesitation about the changes, but for resisting exaggeration of their poverty-reducing effects.

### 3.2 Why focus on the Strong Thesis?

It is easy to be distracted from the striking assertions in the two Strong Theses by some philosophical issues about global justice and responsibility.\(^{17}\) For example, Pogge says that the global order *harms* the poor. We might wonder whether to count the enforcement of current rules and corresponding failure to alleviate mass destitution by modifying the global order as *harming* the poor, rather than as a (culpable) failure to alleviate poverty. Moreover, Pogge has said that his claims about the global order harming the poor depend only on the relatively weak normative idea that we ought not to make people worse off, as distinct from the more demanding idea that we ought to provide help, or to ensure full justice. In response, we may wonder whether Pogge’s claim about harm presents a morally demanding idea in morally
minimal mufti: that while he says that he is not relying on morally demanding ideas, he really thinks that we make people worse off, thus harm them, when we impose rules that make them less well-off than they would be under fair or “more evenhanded institution[s]” (SPH41). He responds that his argument about harm relies only on the idea that we harm people when we violate their human rights and that that is a morally minimal standard. But the critic may think that he makes use of a more demanding idea of human rights than many classical liberals or libertarians would ever accept.¹⁸

These concerns, however interesting, may distract attention from the most striking elements of Pogge’s view, though the distraction is understandable in light of Pogge’s chosen strategy of argument. Instead of arguing that changes in institutions or rules or policies could alleviate significant global poverty, and that such alleviation has great moral urgency, Pogge has argued that the globally rich and powerful are harming the poor. The underlying thought is that the injunction to do no harm is more compelling to more people than the moral injunction to alleviate remediable suffering or ensure full justice.

These injunctions are distinct, and in some contexts the distinctions would be very much worth attending to. But in the setting in question, I wonder about their importance. It is as if, in response to the observation that someone is drowning and could be saved at very little cost, we worried most about responding to the person who says “I did not do it, I did not push her in.” And replied to this person: “OK, you may not have pushed her, but you are harming all the same because you supported the property tax cuts that led to the cuts in the municipal budget for the parks department that hires the lifeguards.” To which the response will be: “Of course I supported the cuts, because the parks department would have spent the money on landscaping, oak desks, office parties, not lifeguards.” Why not say: “Who cares whether you pushed? When someone is dying who could, without much effort, be saved, you are responsible for helping to save, and are complicit in the death if you do not.”

Philosophical issues about global justice and responsibility are of great interest, but the Strong Thesis makes them seem less essential, at least as a practical matter. If the Strong Thesis is true, then the failure to modify global rules is barbaric. Whether the barbaric conduct should be registered as causing harm (by enforcing rules that have the predictable consequence of avoidable extreme poverty) or failing to assist, and the debate about whether harm is a matter of making people worse off than they were, or leaving them less well off than they are
entitled to be under some allegedly minimal understanding of justice, are theological distractions from a moral disgrace.

To see the point, imagine a world in which the Strong Thesis is more or less true, by construction. We have one rich and very powerful lord and a group of other lords, all legally independent and all ruling over separate territories. The rich and powerful lord rules over a relatively wealthy and healthy population. Some lesser lords rule with a comparably velvet glove over relatively wealthy territories. Others are cruel despots, ruling ruthlessly over desperately poor subjects, whose desperate poverty results in part from their political subjection. Assume now that the states ruled by the lords are interdependent. The rich and powerful lord, as well as the equally decent lesser lords, buy relatively cheap minerals and raw materials from the cruel autocrats and also lend them money. The autocrats use the money for palaces and to buy weapons to coercively control their populations. By ending the purchases and lending, the wealthy lords would curtail the ability of cruel autocrats to sell and borrow, thus undermine their power, thus disable them from continuing to impoverish their subjects, and thus eliminate the incentives of others with comparably ruthless aims to grab power (see Endogenous Institutions). Cruel lords and associated poverty are a response to incentives and opportunities created by the rules made and enforced by rich lords. By changing the background rules, the rich lords would lift the blight of extreme poverty.

But none of this happens. Unwilling to require even small “sacrifices” from their populations (say, higher prices for minerals), and not subjected by those populations to pressure to do better, and despite the relative transparency of the necessary changes, the wealthy lords actively oppose (or at least fail to actively support) such rule changes.

Moreover, as a further twist, assume that the cruel lords are poisoning parts of their populations, and that the wealthy lords have a cheap antidote that could easily be ministered even with the cruel lordly dictator in place. But they withhold it and store it all as insurance against an improbable domestic emergency (Independent Effects).

Imagine now that the wealthy lords each say:

I am not harming anyone. I am not harming the desperately poor and politically repressed people in the surrounding communities run by cruel lords. I am not the cause of their bad situation, even of their poisoning. After all, some places are doing very well, and the places that are not doing well could do better if they had better rulers/rules; and in addition, while it is true that I have an antidote that could cure the poisoned population, I would not need to lift a finger and minister the antidote
If the cruel autocrats were not poisoning the population. And in any case, it is one thing to accuse me of harming them – I agree I should not – and quite another to say that I am not helping them.

If the facts are as stipulated, then the right response to the wealthy lords is not a philosophical debate about causation and responsibility, harming and helping, and the role of a negative/positive responsibility distinction in this setting. The right response is moral condemnation, and practical insistence on changes of policy.

In the world of the Parable, the Strong Thesis is true, both because of Independent Effects and Endogenous Institutions. How we think about global issues will depend a great deal on whether we think the Parable of the Bad Lords provides an illuminating informal model of our world. We know that it is a world with some cruel autocrats, considerable desperate poverty, and large amounts of innocent suffering, in which some of the desperate poverty is in autocracies, and in which the policies of rich countries (and the rules they endorse) are often squalid. But is it true – as in the world of the Bad Lords – that with minor modifications in global rules (which would result in at most a slight income decline), we could avoid most current global poverty?

4 Assessing the case for the Strong Thesis

I have said that the Strong Thesis is vastly stronger than anything that Pogge has plausibly defended. I want now to explain why.

One point to preface these remarks: much contemporary discussion of global justice and global poverty gives insufficient inattention to the political geography of global poverty. By “political geography,” I simply mean the location of extremely poor people in very different places with different developmental trajectories (past and projected growth rates) and varying institutional capacities for addressing domestic poverty. Thus in 2002, 30% of the 1 billion people living on less than a dollar a day were in sub-Saharan Africa, where the numbers had increased by roughly 90% since 1981, during a sustained period of general economic (and political) disaster throughout much of the continent. In East Asia, in contrast, the numbers fell by nearly 600 million people over the same period, the most extraordinary antipoverty thrust in human history, while numbers in South Asia fell by less than 10%.
More to the point, roughly half the extreme poverty in the world is now still in India and China, despite their extraordinary growth performance (vastly much more extraordinary over a longer period of time in China than India of course). Another (nearly) 100 million are in Nigeria, and some 70 million are in Pakistan and Bangladesh. Generalizations about “global rules” and the “global poor” that abstract from these contextual differences – including differences in expected growth rates – may obscure these important differences in circumstances and associated differences in possible remedies and actual prospects.

With these observations as background, I will discuss three lines of defense that Pogge suggests for the Strong Thesis (in the section of *WP* discussed earlier, and elsewhere).

1 While the Strong Thesis is about the sufficiency of global rule changes in alleviating poverty, the force of the thesis might be attenuated if we thought that all countries could have succeeded under existing rules by changing their own institutions and policies. And we might be tempted to infer the possibility of universal success from the success of some. Pogge’s first point is to expose the error in that inference: maybe existing global rules only allowed the success of some.

2 Suppose all could have succeeded by changing institutions and policies. Still, the Strong Thesis may be true because of Independent Effects: all would also have succeeded with no domestic changes had there been suitable changes in global rules.

3 Even if success in alleviating extreme poverty required domestic changes, those changes would have been the result of changes in global rules: thus Endogenous Institutions.

The thread that runs throughout my comments is that we are given no reason for endorsing the Strong Thesis as distinct from the Conventional Thesis. It would be very surprising if massive poverty alleviation could proceed through changes in global rules that had no impact on domestic institutions and policies. And it would also be very surprising if domestic institutions and policies were as shaped by and responsive to global rule changes as Pogge’s invocation of Endogenous Institutions requires. (A very strong version of that idea played a role in versions of dependency theory and world-systems theory that explained domestic social and political arrangements in terms of a country’s position – say, as raw material supplier, or manufacturing
center, or commercial headquarters – in a global division of labor.\textsuperscript{21)} There is a very large space between the Purely Domestic Poverty Thesis and the Strong Thesis. A large space, and the right space to occupy with projects that coordinate domestic and global efforts.

\subsection*{4.1 Rise of all the rest?}

One concern about the force of the Strong Thesis begins with the observation that some countries with large numbers of poor – China, the Asian tigers, India, Botswana – have grown very rapidly under existing global rules (typically by playing against the conventional wisdom). Call it “the rise of the rest.” If they managed, why not others?

In response to this objection, Pogge observes that the success of some countries does not show that all others could have done as well. Those who point to this evidence of differential success may be committing a “some–all fallacy” (SPH44), arguing that “some have succeeded; therefore all could have been as successful.” They say that the success of some (say, with export-led growth) shows that the deficiencies are not in the global rules, which do not need reform, but in the failures of others to adopt those successful policies.

Some observers may be fairly accused of this fallacy. But the logical point seems misguided as a response to empirical arguments about the relevance of national experiences in addressing domestic poverty.

First, as I mentioned, half the world’s extreme poverty remains in China and India, countries with successful growth performance (China doubling every nine years since 1978). The distinction between successful and unsuccessful economic performers is not entirely pertinent to the issue of alleviating most global poverty. Even if every economy had performed as well as China and India, most world poverty would still remain. To make the case for the Strong Thesis – that much of current extreme poverty would have been avoided with the right global rules – we need a case not simply that others could have performed as well in terms of growth and poverty alleviation as the best performers, but that that the large numbers of poor in China and India, despite their relative economic success, are a product of global rules. That is possible (most things are). In particular, it is possible that the distribution of income in China and India would have been different under alternative global rules, but that case needs to be made.

The task of making the case is rendered that much more difficult by Pogge’s assertion, already noted, that his case about harm to the global poor depends only on what has happened in the world since 1980
(SPV56). Over that period, under the actual global rules, extreme poverty in China and India declined by hundreds of millions. Under what alternative rules and policies would it have declined further? Perhaps there is a good answer. But concerns about logically fallacious, some–all inferences are simply beside the point because most extreme poverty would have remained even if all countries had been as successful as China and India.

Second, staying at the level of national economic performance, appealing to the success of some countries provides some evidence for the thesis that others could have succeeded. It shows that a certain claim – that global rules are designed to keep everyone in place, thus simply preserving a rich–poor status quo – is misguided. To be sure, improved national performance under existing rules by some poor countries is not a proof that all countries could have succeeded. But we need to understand why the evidence is irrelevant, not simply to be reminded that it might be.

Pogge suggests two lines of argument for such irrelevance. First, that if less successful countries had adopted the export-led strategy of the successful developers, that strategy would have delivered much less benefit to the successful countries because the market for their low-end consumer goods would have been flooded. The less successful countries might have done better, but at some cost in success for those that were more successful. Perhaps, though the market for consumer goods is not fixed, the development strategies of successful countries were not all the same, and the successful performers did not grow exclusively by exporting cheap consumer goods: there was also steel and ships.

But suppose that the strategy would have been less advantageous to the successful performers. Still, some countries were stagnant between 1975 and 2000, in particular in sub-Saharan Africa, where extreme poverty grew significantly worse: if they had grown 3 percent annually, their per capita income would have doubled during that period, instead of shrinking. The aggregate results for extreme poverty are uncertain, and depend of course on how the gains from growth would have been distributed in the poorest countries, but it might well be less pressing now in the places where it has grown so much worse.

The second claim is that markets were limited by protectionism in affluent countries, and this protectionism – an alterable feature of the global order – precluded any generalization of the success stories. Perhaps. But first, while protectionism in affluent countries may have limited growth possibilities for some developing countries, it is also true that trade protections have decreased significantly, and that the persistence of protectionism can hardly explain the extraordinary
differences between successful and unsuccessful economic performance in developing countries. Second, consider sub-Saharan Africa: between 1975 and 2000, per capita income fell 15%, though there was also considerable variation in performance, with Botswana and Mauritius on the high end. If growth rates had been 3% – nothing like the very strong performance in Botswana – income would have doubled instead of falling disastrously. The fact that all could not, in the present global order, have achieved 8% growth rates for 30 years – let’s simply stipulate this – is not especially relevant to the economic disasters of the past generation. Moreover, I am not sure how, under some alternative global rules there might have been a generalization of South Korean or Chinese growth rates (dropping agricultural protections in affluent countries? Probably a small effect. Free movement of people across borders? Hard to know: the effects could be very large because of wage differences, but would depend on how the politics works out.)

4.2 Symmetry of global and national?

Suppose we assume now that poor countries could all have developed at decent rates without any change in the global rules. Pogge argues that this assumption does not absolve the global rules “of responsibility for any excess poverty that would have been avoided if the political elites in the poor countries were less corrupt and less incompetent” (SPH45). Of course not. It would be absurd to deny that some changes in global rules would be more favorable to the extreme poor. That is what the Conventional Thesis says. But what about the Strong Thesis?

In its defense, Pogge makes two symmetrical assertions:

S1 Most severe poverty in the world could be avoided through changes in political arrangements and polices in poor countries, even if the current global order were not changed;

S2 Most severe poverty would be avoided, despite the corrupt and oppressive regimes holding sway in so many poor countries, if the global institutional order were designed to achieve this purpose. (SPH46)

S1 seems pretty implausible, but it is not immediately relevant. Let’s focus on S2, which expresses the idea I earlier called Independent Effects. According to S2, mass poverty in, say, the Congo, Zimbabwe, Sierra Leone, Bangladesh, Pakistan, Nigeria, or India could be avoided (and could have been avoided) by changes in (or historically different)
global rules, even if domestic institutions and regimes were held fixed. I know of no evidence at all for this extraordinary claim. I am not sure how trade policies, or new patent rules, or more generous development assistance, or alternative rules on debt repayment would have a large impact in any of these countries, given current regimes, institutions, and policies. While the alleged symmetry might hold, this assertion of Independent Effects is extremely implausible, as an empirical matter, given the importance of local conditions in mediating the effects of global factors. Consider, for example, health, education, and employment creation: it is difficult to see a case for large, sustainable poverty-reducing effects through changes in global rules operating completely independently of changes in domestic regimes.

A temptation to endorse the symmetry might come from the case of development assistance, but the evidence suggests that we should resist the temptation. The (often polemical) debate about its benefits continues unresolved. Aid skeptics remind us that China has set the record for growth and poverty reduction with no development assistance, argue that assistance is often a destructive substitute for domestic investment and can sever the relationship between spending and popular support, and observe that assistance in sub-Saharan Africa fell over the course of the mid and late 1990s, leading up to the current phase of renewed growth there, which began around 2000. Aid optimists remind us that a pathetically small amount of aid has been given over the past 50 years, particularly when we exclude Cold War-motivated assistance. There does seem to be a good (though not entirely uncontroversial) case for the proposition that assistance is particularly helpful in addressing extreme poverty when institutions are decent, but that of course is no support for Symmetry. It is much harder to make the case that aid does much to relieve severe poverty regardless of the domestic institutional and policy setting.

4.3 Domestic institutions and global rules: Background

But Pogge’s principal argument is about Endogenous Institutions, not Independent Effects. A few words of background first.

Much work on economic development over the past generation has emphasized the importance of domestic institutions – including institutions that establish a rule of law, secure property rights, political accountability, risk regulation, and macroeconomic stability – in explaining economic performance. To illustrate the point about institutions, consider just one striking finding. A vast amount has been
written about the so-called “resource curse.” The idea is that natural resources may be harmful to a country’s economic performance, as the evidence indicates for Nigeria or Sierra Leone. But of course for every Nigeria or Sierra Leone there is a Norway or a Mexico (where oil was not very damaging) or, for that matter, the United States, which in 1913 was the leading producer of nearly every industrial mineral. Are natural resources good or bad for economic development? Can anything general be said?

Take the sample of resource-rich countries, measured by resource exports as a percentage of GDP, and divide it into countries with good and bad institutions. What you find is that countries with good institutions are not resource-cursed. Indeed, \( r^2 = 0 \) when you regress growth on resource dependency. But you also see a strong resource curse in the places with bad institutions.27

So institutions seem important, but I am not suggesting that it follows that they are all that matters. Consider the Extractive Industries Transparency Initiative (EITI), a recent, voluntary effort, with support from some affluent countries (among others, Canada, Spain, Norway, Netherlands, Belgium, France, United Kingdom, and the United States), NGOs (including Transparency International, Oxfam, and Global Witness), international organizations, and companies. EITI aims to encourage resource-rich (understood operationally as a high degree of fiscal- or export-dependence on hydrocarbons or minerals), poorer countries and the companies operating there to ensure transparency on revenues paid by companies to governments: “Regular publication of all material oil, gas and mining payments by companies to governments (‘payments’) and all material revenues received by governments from oil, gas and mining companies (‘revenues’) to a wide audience in a publicly accessible, comprehensive and comprehensible manner.”28 The idea is that such transparency in the extractives sector will help to combat the resource curse by enabling all players, including domestic groups in poor countries, to know what is happening with their resources, thus reducing incentives and opportunities for corruption and unaccountable use of national resources.

I mention EITI not because it has been a great success. It is very early in the game, and it is not likely to be a great success without, \textit{inter alia}, standards beyond simple transparency (power is not exclusively information).29 Still, it illustrates how global actors – including governments of affluent countries, private firms, international organizations (World Bank and African Development Bank), and NGOs – can \textit{both} acknowledge the importance of domestic institutions in imposing the resource curse \textit{and also} acknowledge their own role.
idea behind the EITI is that outside actors – including governments, companies, and international organizations – have a responsibility to change global rules in ways that encourage domestic actors to reshape their conduct and fashion institutions that help to diminish the resource curse in places where it has done real damage. The thought behind the transparency initiative is that access to information is at least necessary if citizens are to hold governments accountable. EITI thus requires that domestic “stakeholders” be part of the transparency initiatives. Ensuring their presence and their access to good information about flows of revenues will shift at least in small ways – anyway, this is the theory – the balance of domestic power.

EITI illustrates an animating idea behind Endogenous Institutions: domestic institutions need to be explained, and global rules are one element in the explanation. Two features of EITI, however, bear emphasis. First, an essential feature of EITI is that it does not propose simply to change external rules in the expectation that domestic actors will suitably adjust their conduct while threatening sanctions for failure. Instead, it requires – for better or worse – domestic government cooperation as an initial threshold condition for participation in the initiative. A second and related point is that EITI does not depend on the very strong version of Endogenous Institutions that I stated earlier, according to which institutions are very substantially or fully explained by global rules. As EITI suggests, you can accept that global rule changes may constructively change incentives and opportunities that animate domestic political conflicts (by, for example, reducing the returns to predatory rule) without accepting the view, reminiscent of dependency theory, about domestic-institutional and political dependence on global structure.

4.4 Do global rules explain domestic institutions?

This idea about the importance of the global background of domestic political economy animates Pogge’s view. In defense of the Strong Thesis, he says that bad domestic arrangements are a result of global rules, and explores the role of two features of the global order – the resource privilege and borrowing privilege – in generating bad domestic arrangements.30

The idea of a resource privilege is that current global rules assign full control of a country’s natural resources – land, minerals and oil – to whomever rules the country, regardless of the viciousness of their rule. This rule encourages bad institutions: it increases the returns to
autocracy and predation, provides no economic incentives for rulers to be decent, decreases the benefits of shared control of the state (the global rules make domestic power independent of sharing the resource rents), and may attract ruthless people into political life. If power holders in a country could be acknowledged by outsiders as owners of resources only if they met certain conditions – rule of law, basic popular accountability – then domestic institutions would improve because the value of controlling the resources would be contingent on meeting the conditions. Changing global rules would reduce the benefits of autocratic power, attract less ruthless people, and thus improve political conduct.

For example, consider a recent suggestion about how changes in current global rules on resource ownership might mitigate the resource curse. Leif Wenar argues that oil and other extractive companies may be seen as trafficking in stolen property, and consumers purchasing stolen property, when they extract or purchase resources from countries in which governments are entirely unaccountable to the governed. The underlying idea is that the governed are themselves the owners of the country’s natural wealth. Lack of accountability amounts, then, to stealing from the people of the country (the owners). Conventional legal rules against the possession and sale of stolen property could then be used to prevent imports from such countries, which would provide incentives to make the governments accountable according to some agreed minimal standards of political accountability, including both political and civil liberties.

To operationalize the proposal, Wenar uses Freedom House scores. A “not free” score of 7 on either political or civil liberties categorizes natural resources sold by the regime as stolen. Under this proposal, regimes in 20 countries (according to 2008 classifications) would be treated as stealing natural resources, and companies trading in those resources would be treated as trading in stolen goods. Among the countries are China, Vietnam, Saudi Arabia, and Cuba, as well as Myanmar, North Korea, Somalia, Sudan, and Zimbabwe.

Putting many important questions about the proposal aside, I want to underscore that this proposal is unlikely to do much about extreme global poverty. (Wenar does not suggest otherwise. I use his proposal simply to illustrate my concerns about global rule changes alleviating domestic poverty.) First, there is the problem of useless sanction (useless in terms of alleviating extreme poverty). A number of the countries that might be subject to sanction because of their unaccountable regimes are places (Saudi Arabia, Syria, Belarus, Tunisia, and Cuba) with very little extreme poverty. Others are places – like China
and Vietnam – with very high growth rates, in which it is hard to see how the proposal would help on the poverty issue, and – while acknowledging the difficulties of estimating general equilibrium effects – might well make things worse.

Second, much extreme poverty is in countries – India, Nigeria, and Bangladesh – that are well within the accountability conditions required for valid contracts, and would thus face no troubles.

Third, there are concerns about the antipoverty impact of induced reforms. Whatever the operational standards for ownership are, it may be possible for countries to game them, doing just enough to satisfy the basic conditions of accountability, which is unlikely to have much substantive effect. Moreover, even if an opposition emboldened by the new global rules conscientiously pursued it, a shift from below the accountability line to just above the line is unlikely to have much substantive effect. Consider a country below the accountability line, with widespread repression of association, no rule of law, no meaningful elections, sharp limits on free expression, and the political opposition lacks sufficient organized strength to change the political terms, but the change comes about because of a shift in global rules. The development of new domestic forms of accountability and rule of law will likely proceed slowly, with very uncertain impact on growth rates and poverty reduction.33

There are other, more political strategies for restricting the resource privilege than Wenar’s property-rights approach. For example, extensions of the EITI (like the World Bank’s new EITI++, see note 29) aim to build transparency and accountability without relying so heavily on legal instruments, and in ways that aim more directly to promote improved domestic politics, though they also depend, as I said earlier, on engagement by the countries themselves. But I do not see a story that would make domestic institutions and poverty strongly endogenous to global rules, and thus no empirically plausible way to embed the explanatory importance of domestic institutions in a larger story about the explanatory sufficiency of global rules. To make that case we would need to know, inter alia, how responsive autocrats are to the expected returns on the control of natural resources, how much that expected rate of return varies with changes in global rules, and how dependent the growth rate and poverty rate are to meeting whatever conditions are stipulated.

Consider, more briefly, the borrowing privilege. Here again, the idea is that troubles arise because of the very large returns that flow from political rule, given the current rules on borrowing and repayment. Essentially, rulers who hold de facto power have sovereign borrowing
privileges, can use loans to pay for the weapons they use to ruin the lives of people through war and crush their opposition, and then lenders can require a successor government to pay off the debt of the despot.

One way to address this problem would be to modify the current understanding and treatment of odious debts in international law by establishing a global body (or empowering a range of existing global and regional bodies) with the power to make ex ante declarations that some regimes are “odious debt prone.” The consequence of such declaration (publicly known), on this Due Diligence Model, would be that lenders – now given due notice – would be required to specify legitimate public purposes for loans and monitoring plans to ensure compliance with those purposes. Successor governments could only permissibly repudiate loans when the funds were diverted from the approved purpose and the lender failed to implement the announced borrowing plan. This would mean reduced incentives to lending to brutal regimes, reduced incentives to being a brutal regime because of the difficulty in borrowing, reduced capacity to be a brutal regime because of the difficulty in sovereign borrowing, and stronger incentives for challengers because they would not be saddled with large odious debts. The ex ante announcement would create greater certainty in financial markets than more standard legal strategies for declaring debt odious, while the due diligence condition would permit beneficial lending, and thus help protect the population from the harmful results of economic sanctions.

There is much to be said for this strategy for dealing with the odious debt problem. It is hideous to see a successor regime, thus the citizens of a country, saddled with paying off debt incurred to feed some predator’s taste for blood diamonds. But for all the reasons I have already discussed, the relationship between a sensible odious debt doctrine that appropriately limits subsequent burdens and claims about alleviating extreme poverty is tenuous, both because so much extreme poverty is untouched by issues about borrowing privileges, and because the implications for poverty alleviation of changing those rules is so uncertain.

5 Conclusion

A large number of people now live on the edge, excluded from the benefits of the extraordinary global growth of the past 30 years. They are excluded not because of some wrong they have committed but
despite their innocence. The fact that so many are living so badly is a moral disaster, not least because the problem of extreme poverty is not beyond remedy. Building a world without extreme poverty – a reasonable ideal – will require a range of efforts, depending on location (keeping in mind the differences between, say, China, India, Nigeria, Bangladesh, Sudan, Somalia, and Sierra Leone). Building it in a sustainable way will depend (inter alia) on decent domestic arrangements as well as global rules (and on larger doses of global coordination to address growing pressures on resources and climate). And wealthier countries have significant responsibility in building that world. Philosophy, too, has a role to play, in clarifying the bases of that responsibility, exposing excuses for not discharging it, and explaining how a world without extreme poverty is one part of a reasonable ideal.

But in figuring out what to do, we should learn something from recent history. The Washington Consensus – now consigned to history’s crowded dustbin – said that countries needed to stabilize, liberalize, and privatize. Lots of places followed that advice and did badly; lots of other places did well during the period of the Washington Consensus, especially places that broke the Consensus rules.\(^3\)\(^6\) What we need now is not a replacement recipe – “get the global rules right,” instead of “get the prices right” or “get the institutions right” – and least of all a recipe, backed by speculations about possibilities, presented as social science. Instead, the circumstances call for a mix of moral conviction about the importance of addressing the issue of extreme poverty, an open-minded, empirical, and experimental spirit about how best to deal with it, and institutions, both domestic and global, organized to foster such learning.

Notes


Joshua Cohen


3 The figure of 10,000 comes from Dan Henkle, Gap’s Senior Vice President for Social Responsibility (private communication). The precise magnitude does not matter: the point is there are lots, and they now play a role in a (not very effective system of) system of global labor regulation.


9 Pogge says that PDPT is “widely held” in the developed countries. My impression is that this is not true, but I would welcome evidence one way or the other. Pogge associates PDPT with John Rawls’s Law of Peoples (AGP261-64). I think the association is misguided, but explaining why would take me too far afield.


11 The idea in the text is one variant of a more generic claim about endogenizing institutions. A more familiar story says that geography explains institutional quality, and that variations in institutional quality in turn account for variations in performance. See for example Stanley L. Enger-


14 The discussion in *World Poverty and Human Rights* is not a condensed version of more expansive arguments elsewhere: SPH44-51 and AGP263-64 are comparably concise.


17 See the interesting criticisms of *World Poverty and Human Rights* in essays by Matthias Risse, Debra Satz, Alan Patten, Rowan Cruft, and Nobert Anwander, in *Ethics and International Affairs* 19(1) (2005). Satz’s criticisms at pp. 48–50 are closest to my own. But for the reasons mentioned in the text, I put my principal emphasis elsewhere.

18 My sketch of Pogge’s views in this section draws particularly on *SP*, pp. 55–6, 59–61, 74–8.

19 The discussion in this section applies, I believe, with equal force to the Strong Thesis and Strong Thesis B.


22 As was suggested in the third point of clarification in the opening section.
On the recent upswing in African growth rates, see Miguel, “Is It Africa’s Turn?” Though not an aid skeptic, Miguel expresses doubts about the role of assistance in helping the upturn.


For a discussion of ideas about assistance that is not so completely stylized, see the essays in William Easterly (ed.), Reinventing Foreign Aid (Cambridge, MA: MIT, 2008).


Although I am focusing on bad effects of global rules on current institutions, not all the current effects are bad, as Pranab Bardhan has reminded me in discussion.


Freedom in the World 2008: Selected Data from Freedom House’s Annual Global Survey of Political Rights and Civil Liberties (Freedom House,
The results would be somewhat different if we used Polity IV scores, and set the cutoff at autocracy (= -6). In 2006, Zimbabwe, Sudan, Tunisia were at –4, and Chad at –2, and thus would have been sufficiently accountable, though all had at least one score of 7 on Freedom House. See www.systemicpeace.org/polity/polity06.htm.


36 See Rodrik, *One Economics*, pp. 18–21, 239.
Responses to the Critics*

Thomas Pogge

1 Response to Cohen

1.1 The Strong Thesis and the Conventional Thesis

Josh Cohen’s forceful critique seeks to defeat what he calls my Strong Thesis, formulated as follows: “Most of the global poverty problem could be eliminated through minor modifications in the global order that would entail at most slight reductions in the incomes of the affluent” (p. ••).

His response does not mince words: “The Strong Thesis is . . . entirely speculative, unwarranted by available evidence and argument. I see no reason to accept the claim that changes in global rules would suffice to lift most of the terrible poverty that so many people suffer from” (p. ••). Cohen advocates abandoning the Strong Thesis via two revisions. He wants to see “most poverty” replaced by “some poverty.” If we follow Cohen, then, instead of saying that, with minor modifications to the design of the global order, the number of chronically undernourished people and the number of poverty-related premature deaths could be lower by at least one half, we ought to say merely that such modifications could avert the severe poverty of some persons.

This is Cohen’s “Conventional Thesis”: “Some global poverty could be eliminated by changes in global rules that would not themselves result in serious moral injuries” (p. ••; emphasis in text).

In addition, Cohen also recommends dropping (as a “theological
distraction,” p. ••) the claim that Western citizens are actively responsible for whatever excess poverty in the less developed countries is due to global institutional arrangements, that we are harming the global poor in violation of a negative duty of justice.

Josh Cohen is an especially useful critic, for two reasons. First, he expresses a reaction to my work that I have found to be very typical, especially in the United States. This reaction consists of the judgment that my claims about our responsibility for world poverty are obviously grossly overstated and underjustified, mixed with some annoyance at such flimsy claims being put forward and taken seriously in some intellectual circles. Secondly, Cohen does not merely express this reaction, but seeks to justify it — vigorously and elaborately. He thereby gives me an opportunity to address a carefully stated defense of that typical reaction in detail, which in turn enables our readers to judge the issue with the benefit of a detailed debate.

For the sake of perspicuity, I will adopt Cohen’s labels for our two theses, though I note that neither label is innocent. The “Strong Thesis” label he attaches to my view suggests that it is a daring one on which a high burden of proof should be imposed. The label thus helps motivate Cohen’s suggestion that we should feel obliged to accept and act upon this thesis only in the face of conclusive social-scientific evidence in its favor. The criticism in WPHR of the unfortunate dearth of research on the role of global institutional arrangements in generating severe poverty (WPHR 17, 27) makes clear that I did not take my argument to rest on abundant such research. Indeed, I offered alternative reasons (to be reviewed below) for accepting it.

By calling his view the “Conventional Thesis” and “relatively uncontroversial” (p. ••), Cohen suggests that it is widely accepted. I would think that the Purely Domestic Poverty Thesis (PDPT), which ascribes the persistence of severe poverty solely to domestic causes, is in fact more widely held among affluent populations. Cohen is right that the PDPT is “pretty obviously wrong” (p. ••) — once one thinks about it. But as repeatedly stated in WPHR, many people, at least in my anecdotal experience, do not think about it: They unthinkingly and implicitly assume it. This is revealed when the issue of global poverty is discussed even among well-educated citizens of wealthy countries. Why do we not do more to help the poor abroad? The proffered reason is that such efforts are bound to be ineffective until poor countries first fix their own corrupt and ineffective domestic institutions. Such a response is then typically accompanied by a casual citation of the ineffectiveness of foreign aid as “evidence” for the claim. Now this reaction is not an express endorsement of PDPT. But it clearly relies on
something like it in the background. So what to Cohen seems “pretty obviously wrong,” as an explicit, reflective view of the world, is also pretty widely held as an implicit, unreflective view of the world among many citizens of the wealthy countries.

Accepting Cohen’s labels with these caveats, I proceed as follows. In Section 1.2, I recapitulate the more important elements of my Strong Thesis and comment on the high evidentiary burden Cohen proposes to impose on it. With these preliminaries as a background, I then respond to the substance of Cohen’s critique in Section 1.3.

1.2 The Strong Thesis and how to assess it

First, the global poverty problem. Somewhere around a quarter of the world’s population are living in life-threatening poverty. They appear in statistics such as the following: 1,020 million people are chronically undernourished; 884 million lack access to safe drinking water; 2,500 million lack access to improved sanitation; 2,000 million lack access to essential medicines. 924 million lack adequate shelter; 1,600 million lack electricity; 774 million adults are illiterate; 218 million children are child laborers; 1,377 million people consume less per month than could be bought in the US for $41 in 2005; and about 18 million deaths annually, or nearly one third of all human deaths, are due to poverty-related causes.

Second, the global order. A central element of this order is the international state system in which any person or group exercising effective power in a national territory – regardless of how violently they came to power and how badly they exercise it – is recognized as entitled to act on behalf of its people: to sell their resources, to borrow and sign treaties in their name, and to import the means of internal repression. Another central element of the present global order is the international trading regime as codified in the rules of the WTO Treaty and the TRIPS Agreement, which was made a condition of WTO membership. Other central elements of the present global order are the rules and treaties governing global resource extraction as well as the international banking and finance system, which makes it easy for corporations to avoid paying taxes in poor countries and easy also for officials of such countries secretly to transfer embezzled funds into private bank accounts abroad.

Cohen holds that the distinction between global and domestic factors is “not very helpful and probably misleading” (p. ••) and supports this claim with the question whether the 10,000 private voluntary
labor codes that various firms have supposedly adopted are part of the global order (Cohen, p. ••). While that distinction is indeed (as we will see) unneeded in the context of Cohen’s own moral diagnosis of the global poverty problem, it has some importance within my elaboration of the Strong Thesis which holds that, insofar as global poverty is causally traceable to the design of global institutional factors, we citizens of affluent countries are actively responsible for it. We are not merely (passively) doing too little to help and assist the poor, but we are – through the foreign policies of our governments and especially through their active shaping of the design of global institutional arrangements – actively harming them, or so I hold. Still, what I really need here is not a precise distinction between global and domestic causal factors, or between factors that are and are not part of the global order, but rather a workable distinction between causal factors that are shaped, controlled, and imposed by our countries and governments in our name and those that are not. According to the prevailing moral view that, other things being equal, negative duties take priority over positive ones, we bear a weightier moral responsibility for mitigating the contributions that the TRIPS Agreement makes to poverty, for example, than for mitigating the contributions made by the high altitude of the Andes.

So what about those 10,000 private voluntary labor codes? On my view, they are not part of the global order. Instead, they are an effect of an important element of its present design, namely of the fact that, while the WTO rules contain very elaborate prescriptions about how member states must protect intellectual property, for example, they contain no prescriptions about how they must protect workers. To the contrary, the WTO rules protect the mistreatment of workers by imposing tight constraints on discrimination by states against foreign-made products that were manufactured under oppressive working conditions. Through these constraints, the WTO rules put downward pressure on labor standards in poor countries which, to attract foreign investment, must outbid one another by offering ever cheaper and more abusable workforces.

Third, negative duties. Cohen dismisses as mere “theological distractions” my claims that we are harming the global poor in violation of negative duties. He suggests instead that, if reforms of global rules could prevent as much death and suffering as I suppose, then our failure to adopt such reforms should be called “barbaric” and “a moral disgrace” (p. ••). I see no reason to retract my claims that (1) global institutional arrangements are severely unjust if they, relative to a reasonably possible alternative, foreseeably produce large excesses of
poverty and poverty-related suffering and deaths and that (2) the imposition of such a severely unjust design harms those who avoidably suffer the effects of poverty as a result. Moreover, these claims are not only true, but also more likely to be effective. Inviting people, in positive-duty style, to help overcome a moral disgrace is unlikely to work. As discussed in *WPHR*, citizens of wealthy countries have (deliberately or unconsciously) developed highly effective ways of organizing their lives to make physically distant misery mentally distant as well. The vast majority of them ignore positive-duty arguments and contribute nothing or very little to charities that fight chronic poverty abroad. The conduct of these people will not be changed by lamenting the mere failure to change the rules in order to “help” the global poor, especially when this lament is combined with Cohen’s watered-down Conventional Thesis, which is compatible with the view that supranational institutional changes would probably not help the poor very much anyway. Confronting these people with negative duties and the Strong Thesis, by contrast, may well have a much greater positive impact on many. They do not (at least consciously) recognize that representatives of their affluent countries routinely and deliberately shape and take advantage of global rules to maximize the benefit to their compatriots at the expense of causing severe and widespread global poverty. To be sure, many such citizens may find a way to rationalize themselves out of their responsibility for this fact as well. There is no guarantee of success. But this is no reason not to try.

The appeal to negative duties has further advantages in regard to tackling the assurance problems many reforms must overcome. Consider, for example, the fact that most governments allow their banks to accept large deposits from officials in poor countries even when the bankers know that the funds have been embezzled. It is urgent to end this golden opportunity for embezzlers. This can be achieved only if many countries tighten their banking laws. And this in turn may require sanctioning countries that continue to permit their banks to accept such deposits. But so long as such permissiveness is not seen as a negative-duty violation (as harming the people whose money is stolen), there will be little support for sanctions – at least in the Anglophone countries, where the reluctance to sanction positive-duty violations is widespread. Far from being a theological distraction, my demonstrations that practices we uphold are unjust and harming the global poor may be important for achieving the needed reforms.

*Fourth, poverty eradication.* Cohen and I agree that there are many factors that contribute to sustaining the global poverty problem and
that the attribution of causal or moral responsibility among them is not a constant-sum game. My thesis is that the global order is one such factor and that modifying this one factor would be sufficient to reduce the problem by at least half. My interest in this thesis is forward looking: I want to argue, and thereby stimulate support in the affluent countries, for reforms in the global order that would reduce the global poverty problem. But the potential for such reforms can usefully be explored, as Cohen suggests, by looking backward upon the period since 1980 with the question whether the global order could have been shaped differently during this period in such a way that the global poverty problem would now be at most half of what it actually is.

Fifth, synergies. In thinking about this question we should, as Cohen does in an exemplary way, consider both direct and indirect effects of global institutional design decisions. The spread of high prices for advanced medicines in the poor countries is a direct effect of the TRIPS Agreement, just as the huge outflow of embezzled money from poor to affluent countries is a direct effect of there being no transparent monitoring or control of such flows. The high incidence of corrupt and oppressive government, especially in resource-rich countries, is an indirect effect of rules of recognition, accepted worldwide, that allow even the most illegitimate rulers to confer legally valid property rights in “their” country’s natural resources. These pernicious elements of the existing global institutional order could have been shaped differently and could yet be reformed.

In addition to considering both direct and indirect effects, we should also consider the effects of several reforms in combination. Two good reforms may work poorly in combination – or they may achieve vastly more against poverty than the sum of what each would achieve alone. In light of these clarifications, we can specify the Strong Thesis as claiming that there is at least one alternative design of the global order, or one combination of reforms, that, had it been in place for the last 30 years, would, through direct and indirect effects, have reduced the global poverty problem to less than half its present dimensions. I contend that there is at least one such combination of reforms, and one that would have entailed at most minor reductions in the incomes of the affluent.

Sixth, evidence. I find Cohen’s chapter hard to read on this score. Some parts suggest that he finds it evident beyond a reasonable doubt that the Strong Thesis is false. Other passages suggest that he believes the Strong Thesis is defeated if it has not been proven beyond a reasonable doubt. Of course, these two views are consistent: they offer different but complementary grounds on which he can set the Strong
Responses to the Critics

Thesis aside. Disagreeing with both views, let me describe how I see the evidentiary situation.

The available evidence does not allow a conclusive verdict about Strong Thesis, but the preponderance of existing evidence favors the Strong Thesis over its denial. By showing this, WPHR meant to serve two practical aims. One is to elicit additional evidence regarding the Strong Thesis. If Western citizens and decision makers find themselves compelled to conclude that it is more likely than not that we are actively responsible for more than half of the millions of poverty deaths each year, then they will be more ready to study the impact of their global institutional design decisions upon the global poverty problem. As it is, social scientists studying poverty in the so-called developing world are paying much more attention to local factors (which can plausibly be presented as being either the responsibility of people in the affected countries or else no one’s responsibility) than to global factors like the ones I have been highlighting. I have written about why we should be suspicious of this research bias (WPHR 2–13) and should not confuse absence of evidence with evidence for absence of our responsibility for world poverty. Insofar as the paucity of evidence about the Strong Thesis is due to its being dismissed by those (e.g., the World Bank) who might produce more evidence, this paucity cannot be a good reason in favor of such a dismissal.

One practical aim of my work was then to stimulate more serious social-science research into the impact of global institutional design decisions upon the massive persistence of severe poverty. Such research would be of great practical importance if it were fed into the decisions themselves. What I want to support, then, is a kind of mainstreaming: an evidence-based assessment by relatively disinterested parties of the likely impact on the global poor of any global institutional design decisions before they are made. Sorely lacking today, such assessments would obviously have to be checked and refined by examining closely, ex post, what impact such decisions actually had.

My second practical aim was strongly to motivate citizens and policy makers of wealthy countries to lend their political support to global institutional reforms and to compensate for their share of responsibility for the very substantial contribution that global institutional arrangements make to the persistence of severe poverty. Like the first, this second practical aim requires showing no more than that the preponderance of evidence favors the Strong Thesis. For, in the world as it is, the proper response to our epistemically imperfect situation is not to withhold judgment on the Strong Thesis until a more conclusive case can be made for it. Rather, if it can be shown that the
preponderance of evidence favors the thesis, the proper response of conscientious citizens of wealthy countries would be to act as if it were true; for the consequences of underestimating the harm we do to the global poor are far graver for them than the consequences of overestimation would be for us.\textsuperscript{17} In certain scientific contexts, it may well be appropriate to reject hypotheses that have no more than a preponderance of evidence in their favor. In practical contexts like the one at hand, such rejection would be gravely immoral. It would be gravely immoral, for instance, to continue operating a lead smelter when there is merely a preponderance of evidence for its emissions causing serious mental retardation among the children of the nearby village.\textsuperscript{18} By suggesting that we should withhold judgment on (or even deny) the Strong Thesis in the absence of more conclusive empirical evidence, Cohen ignores and under-appreciates the fundamentally practical orientation of my work.

1.3 Does the preponderance of evidence favor the Strong Thesis?

The six preliminaries covered in Section 1.2 have clarified the meaning of the Strong Thesis and the claim of harm to the poor and have indicated how it ought to be assessed. Let us now discuss whether the preponderance of evidence favors it.

Playing the role of the defender of the Strong Thesis, I have devoted much work to outlining reforms of the current global order and, where possible, have given rough estimates of the gains that the world’s poor would reap from specific reforms. It is striking that Cohen, who so forcefully denies the Strong Thesis and claims that I have not made an adequate case for it, ignores or at best pays little attention to some of the most prominent reforms I have proposed and the evidence I and others have offered concerning their likely impact. I reiterate some of this evidence in the following section.

The effects of some other reform proposals are admittedly harder to predict due to a lack of research – as when these proposals are new and/or not yet taken seriously by the influential agencies or agents who might initiate a serious study. But, contrary to what Cohen seems to assume, evidence for the impact of specific reform proposals can be supplemented by other considerations in support for the Strong Thesis. Thus, in addition to reiterating evidence for the proposals I have put forth thus far, I will also draw on evidence about the relatively minus-
cule size of the distributional shift that would be necessary to halve world poverty, about the vast power the leaders of the affluent states wield over the global order, and about how doggedly and effectively they are using this power to advance the interests of powerful national and international lobbies at the expense of the global poor.

Regarding the impact of specific reforms, we can begin with existing trade barriers, which we have some evidence about. In both editions of *WPHR*, I cited one of several thorough UNCTAD studies, which states in its overview section:

There is strong evidence that in many product markets that are protected in the North, producers in developing countries have a competitive advantage or are able to acquire one. The potential for large overall export gains is underscored by this year’s Report. It is estimated that an extra $700 billion of annual export earnings could be achieved in a relatively short time in a number of low-technology and resource-based industries. Agricultural exports could add considerably to this figure. All-in-all, the increase in annual foreign-exchange earnings could be at least four times the annual private foreign capital inflow in the 1990s. Moreover, unlike a large part of such flows, the resources would be devoted to productive activities, with beneficial effects on employment.19

Criticizing me for failing to meet the highest standards of social scientific evidence, Cohen ignores the book-length UNCTAD report I cite and its figure of $700 billion per annum (which does not even include lost agricultural exports). He writes that

a complete elimination of all trade barriers in agriculture and manufactures would produce a $22 billion gain for developing countries [footnote omitted]. The resulting dent in extreme poverty would likely be pretty small because most of the direct benefit would not be captured by the extremely poor, or even by the poorest countries, but, for example, by Brazilian cotton exporters and Argentine beef exporters (p. ••).

In light of my divergent figure and the significant bearing this divergence has on the credibility of Strong Thesis, one might expect Cohen to say a little more about why he takes as conclusive this undocumented $22-billion figure from an unpublished PowerPoint presentation.20

Cohen is right to insist that what matters here are not the additional export revenues poor countries would earn, but the resulting net income gains for their populations and especially for the poor. This
question, too, has been the object of various serious studies that Cohen ignores. I have cited De Córdoba and Vanzetti, who calculate annual welfare gains of $135.3 billion for the less developed countries.\textsuperscript{21} I have cited Cline, who calculates $86.51 billion\textsuperscript{22} and, if the dynamic effect on productivity growth is included, $203 billion\textsuperscript{23} associated with a poverty reduction somewhere in the vicinity of 500 million people.\textsuperscript{24} And I have cited the World Bank, which had earlier estimated a poverty reduction of 320 million people.\textsuperscript{25} All these findings are grossly inconsistent with Cohen’s claim that protectionist barriers cost poor countries only around $22 billion in export revenues. In this case, at least, Cohen’s failure to find evidence in support of the Strong Thesis is due not to any absence of evidence, but to his failure to engage with the evidence that is already available.\textsuperscript{26}

While the dismantling of protectionist trade barriers gets some attention, Cohen’s essay does not even mention various other proposed reforms, about which I and/or others have written extensively elsewhere, that would have a significant impact on world poverty.

One is the reform of global rules governing resource extraction. What is notable about the current rules is that they fail to include any mechanism – such as the Global Resources Dividend (GRD) – that could sustainably fund global public goods relevant to the realization of human rights: including goods important to public health, education, environmental protection, disaster management, arms control, peacekeeping, refugee protection, and the control of human trafficking, small arms trading, and illicit financial flows.\textsuperscript{27} The omission of such a mechanism from a global institutional design thoughtfully engineered by wealthy states and endorsed by poor-country elites is certainly no accident. Indeed, wealthy countries such as the United States have aggressively pursued modifications of international agreements and adjudicatory procedures on resource extraction that have had precisely the opposite effect than would the GRD, effectively enabling a minority of the world’s population – citizens of affluent countries and the elites of the less developed ones – to appropriate the world’s natural wealth on mutually agreeable terms while excluding the majority of humankind from its benefits.\textsuperscript{28} If there were a GRD in place, designed sustainably to divert about $300 billion annually of the economic value of natural resource extraction and pollution, then severe poverty (as well as resource depletion and environmental damage) could easily be much reduced.

Another reform proposal that goes virtually unmentioned in Cohen’s essay concerns the international patent regime for medicines. Along with experts from a wide range of disciplines, I have proposed the
Health Impact Fund (HIF) as a necessary complement. The HIF aspires not only to make existing new medicines more affordable and available to poor patients, but also to provide incentives for pharmaceutical companies to conduct more research on the many diseases that disproportionately afflict the poor. Fundable from just 2 percent of what the GRD would raise, the HIF would lead to dramatic mortality and morbidity reductions among the global poor by stimulating the development and active promotion of new medicines against heretofore neglected diseases that sicken and kill millions of poor people each year.

The dollar figures mentioned above certainly seem considerable—but are they large enough relative to the disputed 50 percent reduction in global poverty? To get a better grasp of this question, we should consider what the world would be like if the global poverty problem had evolved in a more benign way since 1980 by shrinking to less than half its present extent. In one sense, this is obvious: we can just divide by 2 all the poverty statistics given at the beginning of Section 1.2. But what would it mean in economic terms? How large is the aggregate shortfall of the world’s poor people from a minimally adequate income that would allow them to maintain “a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care” (Universal Declaration of Human Rights, Article 25)?

The surprise here is that this shortfall is tiny—despite the unimaginable catastrophe of a billion people chronically undernourished. The World Bank, whose data on the poverty problem Cohen invokes, reports that 1,377 million people were in 2005 living below its currently favored international poverty line (IPL) of $1.25 per person per day at 2005 purchasing power parities (PPP)—and 30% below this IPL, on average. Their total shortfall amounted to 0.33% of the 2005 global GDP at PPP, which, at currency exchange rates, was equivalent to about 0.17% of world income (sum of all GDPs) or $76 billion or 0.28% of global household income. So a denial of the Strong Thesis comes to this: there is no way that global institutional design decisions during 1980–2005 could—without substantial reductions in the incomes of the affluent—have been made in a more poverty-avoiding way so as to effect, over this entire 25-year period, a 0.14% (1/700) cumulative difference to the global distribution of household income in favor of the poor (dealing them a $38-billion instead of a $76-billion aggregate shortfall from the Bank’s IPL). Is this credible: that institutional mechanisms (such as the HIF), carefully designed to alleviate poverty and funded at $300 billion per annum and combined with an end to...
Table 8.1: The aggregate global poverty gap for three different international poverty line

<table>
<thead>
<tr>
<th>IPL in 2005 int'l dollars per person per day</th>
<th>Poor People in 2005</th>
<th>Aggregate Shortfall from the IPL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number in millions</td>
<td>Average shortfall from the IPL</td>
</tr>
<tr>
<td></td>
<td>in percent of 2005 gross world income</td>
<td>in percent of 2005 global household income</td>
</tr>
<tr>
<td>$1.25</td>
<td>1,377</td>
<td>30%</td>
</tr>
<tr>
<td></td>
<td>0.33%</td>
<td>0.17%</td>
</tr>
<tr>
<td>$2.00</td>
<td>2,562</td>
<td>40%</td>
</tr>
<tr>
<td></td>
<td>1.28%</td>
<td>0.66%</td>
</tr>
<tr>
<td>$2.50</td>
<td>3,085</td>
<td>45%</td>
</tr>
<tr>
<td></td>
<td>2.2%</td>
<td>1.13%</td>
</tr>
</tbody>
</table>
rich-country protectionism (yielding, as we saw, annual income gains of $86.51–203 billion for people in the less developed countries), and with multiplier effects operating over so long a period, would not have made a $38-billion difference to the annual income of humanity’s bottom fifth?33 Even if we limit the discussion to just these two reforms – the GRD and the lifting of protectionist barriers – it is not my “strong” thesis that is daring here, I submit, but its denial.

The denial only becomes more daring once we look at how shares of global household income have actually evolved in the relevant period. Using household income per capita to divide the world’s population into 20 equal groups (“ventiles”), this is the evolution of relative shares.34

Table 8.2: The distribution of global household income and its evolution in the globalization period

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Bottom Ventile</td>
<td>0.139</td>
<td>0.091</td>
<td>0.076</td>
<td>0.109</td>
<td>-21.4%</td>
</tr>
<tr>
<td>Second Ventile</td>
<td>0.198%</td>
<td>0.136</td>
<td>0.142</td>
<td>0.150</td>
<td>-24.4%</td>
</tr>
<tr>
<td>Third Ventile</td>
<td>0.239%</td>
<td>0.167</td>
<td>0.180</td>
<td>0.187</td>
<td>-21.8%</td>
</tr>
<tr>
<td>Fourth Ventile</td>
<td>0.275%</td>
<td>0.196</td>
<td>0.215</td>
<td>0.222</td>
<td>-19.2%</td>
</tr>
<tr>
<td>Fifth Ventile</td>
<td>0.304%</td>
<td>0.230</td>
<td>0.253</td>
<td>0.254</td>
<td>-16.3%</td>
</tr>
<tr>
<td>Sixth Ventile</td>
<td>0.364%</td>
<td>0.266</td>
<td>0.301</td>
<td>0.297</td>
<td>-18.4%</td>
</tr>
<tr>
<td>Seventh Ventile</td>
<td>0.389%</td>
<td>0.304</td>
<td>0.349</td>
<td>0.342</td>
<td>-12.0%</td>
</tr>
<tr>
<td>Eighth Ventile</td>
<td>0.462%</td>
<td>0.360</td>
<td>0.424</td>
<td>0.398</td>
<td>-13.8%</td>
</tr>
<tr>
<td>Ninth Ventile</td>
<td>0.523%</td>
<td>0.432</td>
<td>0.506</td>
<td>0.467</td>
<td>-10.7%</td>
</tr>
<tr>
<td>Tenth Ventile</td>
<td>0.632%</td>
<td>0.508</td>
<td>0.584</td>
<td>0.552</td>
<td>-12.6%</td>
</tr>
<tr>
<td>Eleventh Ventile</td>
<td>0.736%</td>
<td>0.604</td>
<td>0.701</td>
<td>0.663</td>
<td>-9.9%</td>
</tr>
<tr>
<td>Twelfth Ventile</td>
<td>0.953%</td>
<td>0.773</td>
<td>0.888</td>
<td>0.810</td>
<td>-14.9%</td>
</tr>
<tr>
<td>Thirteenth Ventile</td>
<td>1.210%</td>
<td>0.995</td>
<td>1.112</td>
<td>0.994</td>
<td>-17.9%</td>
</tr>
<tr>
<td>Fourteenth Ventile</td>
<td>1.692%</td>
<td>1.285</td>
<td>1.467</td>
<td>1.306</td>
<td>-22.8%</td>
</tr>
<tr>
<td>Fifteenth Ventile</td>
<td>2.383%</td>
<td>1.845</td>
<td>1.982</td>
<td>1.666</td>
<td>-30.1%</td>
</tr>
<tr>
<td>Sixteenth Ventile</td>
<td>3.673%</td>
<td>3.076</td>
<td>3.227</td>
<td>2.481</td>
<td>-32.4%</td>
</tr>
<tr>
<td>Seventeenth Ventile</td>
<td>7.317%</td>
<td>6.566</td>
<td>6.504</td>
<td>5.344</td>
<td>-27.0%</td>
</tr>
<tr>
<td>Eighteenth Ventile</td>
<td>13.844%</td>
<td>13.696</td>
<td>13.223</td>
<td>12.678</td>
<td>-8.4%</td>
</tr>
<tr>
<td>Nineteenth Ventile</td>
<td>21.797%</td>
<td>22.610</td>
<td>22.335</td>
<td>22.280</td>
<td>+2.2%</td>
</tr>
<tr>
<td>Top Ventile</td>
<td>42.872%</td>
<td>45.860</td>
<td>45.532</td>
<td>48.799</td>
<td>+13.8%</td>
</tr>
</tbody>
</table>
The data show that there has been a very substantial increase in inequality, with the top eight percentiles gaining and all the rest of world population losing ground. The share of the bottom 40% of humankind has been reduced to below 2% of global household income, and that of the bottom half to below 3%. At the other end of the distribution, the 6% of global household income that the top ventile newly acquired in just 14 years is 42 times the 0.14% of global household income that would have been needed to cut in half the aggregate shortfall of those living in extreme poverty (i.e., below the $1.25 IPL). This shortfall would also have been cut by more than half if the global poor had merely maintained their relative share, that is, if the global poor had merely participated proportionately in global economic growth. As it is, they saw their relative position reduced by a staggering 20% in just 14 years.

While global economic inequality has increased relentlessly over the last two centuries, there has been an important shift in the last twenty years or so: with fast growth in China and India, what drives the trend is no longer increasing international inequality (among countries’ per capita gross national incomes or GNIs) but rapidly increasing economic inequality within countries. The WIDER database on the subject lists 5,313 surveys for 159 countries and areas. Available data for 111 of these jurisdictions are spotty or show no clear trend. In Brazil, France, Mauritania, and Sierra Leone, income inequality appears to be clearly lower this decade than in the 1980s – in the remaining 44 jurisdictions, clearly higher. The United States is a case in point. In the 1980–2007 period, the income share of the bottom half declined from 17.68% to 12.26%. In roughly the same period (1978–2007), the income share of the top one percent rose from 8.95% to 23.50% (2.6-fold); that of the top tenth percent from 2.65% to 12.28% (4.6-fold); and that of the top hundredth percent from 0.86% to 6.04% (7-fold). The top hundredth percent – some 14,000 tax returns – now have nearly half as much income as the bottom half (150 million) of the US population and about two thirds as much as the bottom half (3,400 million) of the world’s population. There has been a similarly dramatic rise in inequality in China, where the bottom decile lost about half its relative share over a fourteen-year period. While Chinese per capita GNI increased by an amazing 236%, the bottom decile gained only 75% during the period.

How have the world’s rich elites achieved such stunning gains in their income shares – how, for example, did that top 0.01% of US taxpayers raise its share of global household income from 0.25% to 1.93% in the very period on which Cohen focuses our attention? Is this
huge gain due to a sudden dramatic upsurge in the amount of hard work done by this elite? Or is this dramatic ascendancy of US financial wizards, corporate executives, and rentiers perhaps related to globalization – specifically to the fact that the world has come to be dominated by an increasingly dense and influential global system of rules that they are best positioned to shape in their own favor and to take advantage of?

I favor the latter, commonsense explanation. As those global rules and structures have acquired an ever more profound influence on the distribution of the entire global product, their design has come to be heavily contested. But only a few agents have the power and influence to partake in this contest, namely those corporations and individuals in a position effectively to lobby the more powerful governments that are shaping these rules with little democratic oversight. Being able to use the US government to exert their influence on the design of global institutional arrangements allowed the US business and banking elite to extract ever more value from economic activity at home and abroad, including the poor countries: from private investments both licit and illicit, from cheap labor employed and natural resources extracted in poor countries, from the sale of new seeds and medicines whose exorbitant prices can now be protected by patents everywhere, from protected monopoly markups on software and entertainment products, and from government subsidies and other favors obtained through inducements or threats to move investment capital elsewhere.

How does Cohen want to explain the fabulous gain to the US super-rich and the concomitant drop in the already minuscule share of income of the global poor? Did it have nothing to do with the wealthy states’ new power to impose exorbitant markups, also in the less developed countries, on advanced medicines and seeds – nor with the ca. $1,000 billion loss these latter countries suffer each year from corruption and tax avoidance?39 Does Cohen want to say that the outsized rewards to the super-rich were necessary to elicit their dedicated efforts (which greatly benefited themselves and stuck the rest of us with the bill for the Global Financial Crisis)? By asserting that there is “no reason to accept” the Strong Thesis, this is what Cohen commits himself to: the immense and rapidly increasing inequality between rich and poor plus the vast power wealthy countries exert over an increasingly dense and extensive global order plus their proven success in using this power to benefit their corporations – all this does not provide any reason for believing that there was some way of designing this global order differently so that those at the top would have done a
little less well and the bottom fifth’s share (which actually dropped 0.183 percent just between 1988 and 2002) of global household income would have dropped by 0.14 percent less in the period since 1980.

This would be a spectacular claim indeed, especially when combined with the evidence provided above for the impact of more specific reforms. And it remains spectacular even in the face of Cohen’s celebration of the supposedly great successes against poverty in China and India: “Over that period [since 1980], under the actual global rules, extreme poverty in China and India declined by hundreds of millions. Under what alternative rules and policies would it have declined further?” (p. ••). I have long argued that the World Bank figures Cohen here invokes do not offer an accurate portrait of the evolution of poverty worldwide. The main reasons are the Bank’s focus on money alone and its reliance on consumer price indices and purchasing power parities that, weighting the prices of commodities in proportion to their share in national and international consumption expenditure, marginalize the prices of those basic necessities that poor people most urgently need.40

But let us just put this critique aside and take the Bank’s figures at face value. What we find is that the Bank is indeed reporting a huge reduction in extreme poverty for China: from 835.1 million in 1981 to 207.7 million in 2005. In India, however, there is actually a reported increase over the same period: from 420.5 to 455.8 million – and likewise for the rest of the world: from 640.6 to 713.2 million. Even if no greater reduction of extreme poverty was possible in China,41 it is pace Cohen not at all inconceivable that global institutional reform could have led to lower extreme poverty elsewhere, so that the number of extremely poor outside China – instead of rising 10 percent from 1,061.1 to 1,169 million – would have fallen 55 percent over the relevant 24-year period to 480 million. Had this happened, the total number of extremely poor in 2005 would have been less than half of what it actually was.42

Of course, the World Bank’s poverty line of $1.25 per person per day is absurdly low. Just imagine covering all your needs for food, clothing, shelter, essential medical care, water and other basic utilities and for an entire year on what can be bought in the US today for $500!43 The Bank also reports figures for a more adequate poverty line of $2.50 per person per day. These figures display a starkly worse trend: the number of poor in India rose between 1981 and 2005 from 1,061.1 to 1,169 million – would have fallen 55 percent over the relevant 24-year period to 480 million. Had this happened, the total number of extremely poor in 2005 would have been less than half of what it actually was.42

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fallen by half in this 24-year period, then the number of poor worldwide would now be under half of what it actually is, even if we accept that the reduction in the number of poor in China from 987.5 to 645.6 million could not have been improved upon through any combination of global institutional reforms.\textsuperscript{44}

But there is also no reason to follow Cohen’s supposition here. Even if national reforms had led (or could have led) to major reductions in the incidence of poverty in every country, this does not constitute evidence against the possibility that global institutional reforms since 1980 could have achieved a further 50\% reduction in the poverty rate. Consider this analogy. Your physician claims that exercise will cut your risk of a heart attack in half. Your nutritionist asserts that switching to a heart-healthy diet will reduce this risk by 80\%. Even if the nutritionist is right and, following her advice, you have reduced your risk to 20\% of what it was, this does not in any way undermine your physician’s claim which, newly specified, is this: had you not merely switched your diet but also begun a regular exercise program, then your risk of a heart attack would now be not 20\% but only 10\% of what it was before.

Let us take stock. In our assessment of the Strong Thesis, we have reviewed evidence about the significant impact that specific reforms would have on the net income of the global poor, about the relatively small size of the distributional shift that would be needed to halve the aggregate poverty gap, and about how single-mindedly and effectively affluent states are using the vast power they wield over the global order to advance the interests of their corporations and citizens, even at the expense of greatly aggravating world poverty. Taken together, this evidence is easily enough to support two key conclusions. (1) The current design of global institutional arrangements, with all the myriad privileges wealthy states have inserted for themselves and their corporations at the expense of the poor, ranks far below feasible alternative designs in terms of poverty avoidance. (2) The elimination of some or all of these privileges would have lessened the shift in the global income distribution against the poor sufficiently to allow global economic growth over the 30-year period (1980–2010) on which Cohen has focused to reduce the aggregate poverty gap to less than half of what it now actually is. With these conclusions supported by a clear preponderance of evidence, it would be highly irresponsible for citizens and policy makers from wealthy countries (without further detailed investigation) to refuse to adjust their conduct in light of the Strong Thesis. Accepting this thesis is not comfortable. But millions of lives depend on how we individually and collectively decide to respond.
Responses to the Critics

Spauwen, Kit Wellman, Leif Wenar, Andrew Williams, and a lively audience in Seyla Benhabib’s Political Theory Workshop. The reply took longer than expected, and I thank my critics for their patience.


2 The undefined expression “moral injuries” is interesting. I presume a slaveholder suffers no moral injury if his slaves are set free without compensation to him. If this is right, I could support the Strong Thesis by pointing to global institutional reforms that would entail more-than-slight reductions in the incomes of the affluent, so long as these reductions constitute no moral injury. I will not explore this opportunity here and focus instead on the “Strong Thesis” as Cohen formulates it.

3 See *WPHR* 16–18, 28, 55–6, 145–7.


6 Ibid., p. 7.


12 This is the World Bank’s official poverty line, most recently redefined in terms of daily consumption whose local cost has the same purchasing power as $1.25 had in the US in 2005. See Shaohua Chen and Martin Ravallion, “The Developing World Is Poorer than We Thought, but no Less Successful in the Fight against Poverty,” World Bank Policy Research Working Paper WPS 4703 (2008), p. 44. Available at econ.worldbank.org/docsearch (accessed April 5, 2010). Relative to a more adequate poverty line twice as high ($2.50 per day in 2005 international dollars), the Bank reports that nearly half the world’s population, 3,085 million people, were poor in 2005, with average consumption levels 45 percent below this line (ibid., p. 45).


14 In view of Cohen’s stern upholding of rigorous standards of social scientific inquiry, it is amusing to trace the sources he cites in his paper. In this case the evidence for all those many private voluntary codes comes from a private communication from Gap Clothing Company’s Senior Vice President for Social Responsibility (p. ••, n. 3). This is hearsay, and from a rather dubious source: a clothing company infamous for its use of sweatshops.


16 By contrast, the Conventional Thesis is compatible with holding that the global order bears little responsibility for causing severe and widespread poverty and that reforms of this order would make little difference to its incidence. It is therefore inadequate for this second practical aim.


18 This point is discussed further below in the section “Do negative-duty claims have a high burden of proof?”


20 See note 15 in Cohen’s essay and www2.lse.ac.uk/publicEvents/sampletex/ppt/20051118-Rodrik.ppt (accessed April 5, 2010), which appears to be the presentation (by Dani Rodrik) that Cohen has in mind. After his reliance on The Gap (see note 14 above), this is another example of the disturbingly common practice of considering only the sources that support what one wants to believe.

21 Santiago Fernandez de Cordoba and David Vanzetti, “Now What? Searching for a Solution to the WTO Industrial Tariff Negotiations,” in Sam Laird and Santiago Fernandez de Cordoba (eds), Coping with Trade
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23 Ibid., p. 255, stated in 1997 dollars.
24 Ibid., p. 252, table 5.3, as slightly revised in a subsequent “Technical Correction to the First Printing.”
25 World Bank: Global Economic Prospects 2002 (Washington, DC: World Bank 2002), pp. 168–78. The number of poor here referred to is the number of those living on less than $2.15 per person per day at 1993 purchasing power parities (PPPs). The Bank estimated this number at about 2.7 billion during the relevant period. According to these estimates, then, removal of trade barriers would have reduced the incidence of poverty by about 11–19 percent – a rather substantial dent relative to the 50 percent reduction here under discussion. See my Politics as Usual: What Lies behind the Pro-Poor Rhetoric (Cambridge: Polity Press, 2010), p. 20.
26 As cited at WPHR 20 (17 in the 2002 edition), the widely publicized and frequently cited UNCTAD Report is referred to in “White Man’s Shame,” The Economist, September 25, 1999: 89.
27 The Global Resources Dividend, described in WPHR, chapter 8, is probably my best-known and most discussed proposal for global institutional reform. It receives no mention at all in Cohen’s essay.
28 One example, concerning seabed mining and the 1982 UN Convention on the Law of the Sea, is discussed at WPHR 131–2.
29 For a book-length discussion of the proposal and much additional material about it, see the project website at www.healthimpactfund.org.
30 Figures based on Chen and Ravallion, “The Developing World Is Poorer,” pp. 27 and 42–6. The table is reproduced from and further explained in my Politics as Usual, p. 70.
31 Also, this $76-billion shortfall that the whole world must overcome is less than one tenth of the military budget of the US alone, and also less than one tenth of the $787 billion the US alone spent on economic stimulus during the 2009 economic crisis.
32 Cohen relies on these World Bank statistics in talking about the extent and evolution of poverty in East Asia, China, India, Nigeria, Pakistan. I have grave doubts about the method underlying these figures (see Politics as Usual, chapters 3–4). For one thing, I believe that the Bank’s poverty line is much too low. Let me note then that, even if we raised the Bank’s international poverty line from $1.25 to $2.00 per person per day at 2005 PPP, the poverty gap would still amount to only $296 billion or 0.66 percent of world income at currency exchange rates. For 2005, the Bank reports 2.56 billion people living – by 40 percent on average – below this higher poverty line (Chen and Ravallion, “The Developing World Is Poorer,” pp. 27 and 42–6).
33 As alluded to here, the impact that GRD spending and the lifting of protectionist barriers would have on poverty rates would be magnified by...
multiplier effects. By having and spending more income, poor people increase the incomes of other poor people. And by spending more on food, health care and education, poor people and their children become more productive, and therefore potentially better paid, members of the workforce in future years. Reinforced by such multiplier effects, a regular flow of $300 billion annually into poverty eradication efforts could over time easily have halved the deficit of the $2.50-poor, which in 2005 stood at $507 billion.

Data kindly supplied by Branko Milanovic of the World Bank. The four years listed are the only ones for which comprehensive data are currently available.


Emmanuel Saez and Thomas Piketty, “Income Inequality in the United States, 1913–1998,” *Quarterly Journal of Economics* 118 (2003): 1–39, as updated in “Tables and Figures Updated to 2007 in Excel Format,” August 2009. Available at els.berkeley.edu/~saezl (accessed April 5, 2010), table A3. Ibid., table 1 decomposes the 16% average per capita household income growth during the last US economic expansion (2002–7), showing that the top 1% enjoyed real growth of 61.8% while the remaining 99% of the population had 6.8% growth. The top 1% captured 65% of the economy’s real per capita growth. In the preceding expansion under Clinton (1993–2000), the top percentile had captured 45% of the real per capita growth of the US economy.

Dropping from a 3.08% income share in 1990 to 1.60% in 2004. The World Bank has recently withdrawn its 1990–2004 data about household inequality in China, now providing only data for 2005 which show much lower inequality (the bottom decile at 2.4%). This is apparently due to methodological revisions including an inflation of all rural incomes by 37%. If the Bank will introduce such revisions for other countries, it will soon be able to report much lower intranational inequality. This revision should be resisted. It is absurd to consider two persons economic equals when one of them cannot afford to live in the city (and must perhaps commute a long distance to her place of work) while the other, with 37% more income, can afford to live in the city.

See Dev Kar and Devon Cartwright Smith, *Illicit Financial Flows from Developing Countries 2002–2006* (Washington, DC: Global Financial Integrity, 2008), p. iv. These outflows are about 10 times larger than all official development assistance (80 times larger than assistance for basic social services), much of which illicitly flows right back into secret private bank accounts in the global North. These outflows also dwarf the global poverty gap which, even relative to the World Bank’s highest poverty line
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For example, when the prices of basic foodstuffs double, the consumer price index may register only a small rise—because basic foodstuffs are only a small portion of individual household expenditure and because other commodities, such as consumer electronics, may be falling in price. Similarly, when the Bank ascribes much higher purchasing power to the currencies of poor countries than their exchange rate would suggest, it is in each and every case overstating the purchasing power of these currencies relative to food. It is the very low prices of services, especially, that drive up the calculated purchasing power of poor-country currencies. Food is cheaper in poor countries, to be sure, but not as much cheaper as PPPs would suggest. In fact, the PPPs the Bank relies on in its poverty measurement exercise are on average about 50 percent higher than the corresponding PPPs for “food and non-alcoholic beverages” (see Politics as Usual, n. 127).

I contest this, of course. The GRD would certainly have accelerated poverty reduction in China.

All data from Chen and Ravallion, “The Developing World is Poorer,” p. 44.

To make this thought-experiment realistic, you must imagine away various potentially life-saving amenities that a resident of the United States can access without money—such as 24-hour emergency room access, public rest rooms, and clean tap water. Such amenities are unavailable or charged for in the world’s impoverished areas.

All data from Chen and Ravallion, “The Developing World is Poorer,” p. 45.

Tan tends to de-emphasize or ignore altogether the fact that the rich are not only failing to bring about a global order that allows the poor to meet their basic needs, but also imposing a global order that does not. Thus he writes, describing my view: “[The global poor] are being unjustly harmed by the rich because it is the choice of the rich not to bring into effect the social arrangement that would be kinder to the poor” (p. ••). He further asks: “is Pogge entitled to say that the poor are being harmed when they are deprived of a feasible arrangement under which they can have adequate access to basic goods?” (p. ••). But obviously what I am claiming is not, pace Tan, that the mere failure to bring about a global order favorable to the poor counts as harm—as though no institutional scheme currently existed and the rich were asked to devise one to eliminate severe poverty that they played no role in causing. It is not our failure to establish such a global order that I condemn as harm, but rather our continued imposition of a global order that engenders severe and widespread poverty. To be sure, I do try to show that a more poverty-avoiding design of the global order is possible and could be realized with only minor opportunity costs for the affluent countries. But the point of this effort is to show that the existing design is grievously unjust by showing that most existing poverty...