

Dilemmas of the Institutional Thesis: Pogge vs. Risse on Global Poverty

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This paper outlines both Thomas Pogge's thesis that the global order helps perpetuate extreme poverty, violating our negative duty not to harm others unduly, and Mathias Risse's response that the global order only harms the poor to the extent that it fails to explore possibilities for assisting developing countries in institution-building. It finds morally troubling Risse's institutional thesis, which holds that there are no further redistributive duties beyond the support of institutions, due to its neglect of the urgency and severity of global poverty. The paper concludes by briefly arguing for the adoption of a *matrix thesis* and by siding with Pogge that redistributive measures like a Tobin Tax or a Global Resource Dividend are called for in a situation in which the problem of extreme poverty remains incompletely understood.

In the wake of the theories of distributive justice of John Rawls, Gerald Cohen, and Robert Nozick have come a number of theories of international distributive justice in recent years, perhaps Thomas Pogge's most prominent among them. Seeing a world characterized by the widespread acceptance of moral norms defending the poor and vulnerable, on one hand, and by severe and increasing inequality in income distribution, on the other, Pogge is troubled by two interdependent questions:

How can severe poverty of half of humankind continue despite enormous economic and technological progress and despite the enlightened moral norms and values of our heavily dominant Western civilization? Why do we citizens of the affluent Western states not find it morally troubling, at least, that a world heavily dominated by us and our values gives such very deficient and inferior starting positions and opportunities to so many people? (Pogge, 2002: 3).

These questions and their many implications are the subject of Pogge's 2002 volume, *World Poverty and Human Rights*. Its eight essays, written between 1990 and 2001, advance the provocative argument that the problem of severe poverty should be conceived as a question of a negative duty, not as a question of a positive duty of aid and assistance. In Pogge's view, the citizens of affluent Western states are bound to the global poor by 'a duty to ensure that [they] are not unduly harmed (or wronged) through [our] own conduct,' but we violate this negative duty by imposing an unjust global economic order that stacks the odds in our favor at the expense of perpetuating misery and deprivation across much of the world (Ibid.: 130). How is the global order 'unjust'? For ready evidence of a lopsided playing field Pogge points to the weighted voting systems of international economic institutions like the International Monetary Fund and the World Bank, for example, where Western states wield power proportional to a financial input that has roots in a history of colonialism and an inequitable appropriation of global resources. Policies that result from the negotiations of such institutions 'therefore reflect the interests of these rich countries' governments, corporations, and populations – regardless of whether the relevant representatives of the developing countries are corrupt or are selflessly devoted to poverty eradication' (Ibid.: 116). In marked contrast to their rhetoric advocating free trade and open markets to developing countries, furthermore, the United States and the European Union routinely subsidize sectors of their economies in a protectionist gesture, undermining not only the ideal of fair competition and the concept of comparative advantage but the developing economies of poor countries themselves, economies highly dependent on the production of cash crops such as cotton, for example.¹

According to Pogge, this global order is further exemplified by the fact that 'any group controlling a preponderance of the means of coercion within a country is internationally recognized as the legitimate government of this country's territory and people – regardless of how this group came to power, of how it exercises power, and of the extent to which it may be supported or opposed by the population it rules' (Ibid.: 112). Although his unequivocal language here is unfortunate – in international legal instruments such as the European Community's Guidelines on the Recognition of New States, for example, there are a number of express prohibitions against the recognition of governments that acquire power by aggressive force (Malanczuk, 1997: 89) – the general thrust of Pogge's claim is nonetheless substantiated by the number of authoritarian regimes in the poorest nations implicitly recognized as

legitimate by the 'international community' and the multinational corporations that do business with them. Upon such recognition, these governments are accorded what he calls the 'international resource privilege,' the right 'to dispose [freely] of the country's natural resources,' and the 'international borrowing privilege,' the right 'to borrow [freely] in the country's name' (Pogge, 2002: 112-13). In poor countries, Pogge argues, the international resource and borrowing privileges can trigger a series of mutually-reinforcing problems that spell tyranny, corruption, and deeper poverty. A typical cycle might begin with a coup d'état, whereby strongmen seize power from a weak state in an effort to acquire access to the resource and borrowing privileges and to exploit them for personal material gain. Once attained, these privileges enrich the powerful while providing incentives for competing groups to pursue similar enrichment. Violence and civil war ensue. Even if this outcome is avoided and 'the yoke of dictatorship can be thrown off,' states Pogge, 'the international borrowing privilege saddles the country with the often huge debts of the former oppressors' (Ibid.: 115). Economically insecure, such a fledgling democratic government lacks the capacity to institute needed reforms and achieve a floor of political stability and is left ever-vulnerable to corrupt elites.

The foregoing is a rather broad outline of Pogge's depiction of the global order, presented over a series of essays and accompanied by empirical data and a number of case studies, both real and hypothetical. It develops into a committed critique of a system not only rigged to the advantage of the world's affluent but also set at an angle to the world's poor, a system in which poverty is more a defining feature than an unfortunate byproduct. By imposing such an order on the global poor, Pogge argues, we violate our negative duty to do no wrong (Ibid.: 139). That our perception of this violation is often hard-won arises, in his view, from a double standard in which we subject the global economic order to weaker moral demands than a national one. Here Pogge gestures to the problem of 'nationalism,' which represents for him something of a specter haunting international distributive justice, for in 'the causal links between global factors and the incidence of oppression, corruption, and poverty,' it introduces rupture, problematizing our acceptance of a negative duty (Ibid.: 115). Defined thinly as the 'view [that] it [is] legitimate and even admirable that individuals and their political leaders should show a preeminent concern for preserving and enlarging their own collective advantage,' nationalism for Pogge manifests itself in two ways: as *common nationalism*, in which citizens and governments may, and perhaps should, show con-

cern for the interests of their compatriots above all; and as *lofty nationalism*, in which citizens and governments may, and perhaps should, show concern for the justice of their own compatriots above all (Ibid.:118-19). Putting aside the question of ‘the weight of nationalist priorities’ relative to the priorities of the family, the religious community, and so on, Pogge explores the scope of nationalist priorities, ‘arguing that there are firm limits to their application and hence contexts in which they cannot plausibly be invoked at all’ (Ibid.: 120). By citing our ideals of fair play and our disapproval of nepotism and discrimination as restrictive impositions on partiality within the domestic context, for example, Pogge renders inconsistent the claims of common nationalism, with its boundless partiality in favor of compatriots: ‘[i]n conducting our foreign policy, and especially in shaping the global order regulating international politics and the world economy,’ he writes ‘we have taken [common nationalist] partiality to extremes that we would find intolerable in any other context’ (Ibid.:129). Meanwhile, he dismisses the widely-held claims of lofty nationalism, with its noble partiality in favor of compatriots, as acceptable only in a context in which we are bound to the global poor by way of a positive duty of aid and assistance: in effect, once we understand that the wrongs they suffer are of our doing, the moral claims of the compatriot and the non-compatriot become indistinguishable (Ibid.: 133).

By interrogating the bounds of nationalist partiality and the moral double standard it allows, then, Pogge demonstrates that the citizens of the affluent West are more entangled with the fate of global poor than is commonly accepted. Yet though his sobering claims point to profound problems, they also make clear significant opportunities: in fact, Pogge promotes a number of proposals – such as a Tobin Tax, a Global Resource Dividend, and a greater opening of world markets to the developing world – that would attend to the reformation of the system and the eradication of severe poverty from a number of angles (Ibid.: 196-215). What is notable about his approach is that by focusing primarily on the unjust global order and our interconnectedness with the world’s poor, he can demonstrate both our complicity in their suffering *and* our ability to ameliorate it. That our conduct unduly harms the global poor may be a bitter pill to swallow, but an acceptance of this causal connectedness can empower us to exploit it for more egalitarian ends. Ultimately, for Pogge, it comes down to a rational choice: ‘[w]hether or not we accept such a negative duty in regard to the justice of our global order makes a momentous moral difference’ (Ibid.: 133).

In a series of articles in such journals as *Philosophy and Public Affairs* and *The Journal of Ethics*, Mathias Risse responds to Pogge's claims about the (in)justice of the global order by posing a number of questions: does not the network of organizations comprising the global order, for all its faults, represent a significant improvement over previous arrangements? Has it not made possible advancements in technology that have lifted millions out of poverty? Indeed, how can we be sure that the global order harms the poor, when 'what is remarkable is not that so many now live in poverty, but that so many do not; not that so many die young, but that so many do not; not that so many are illiterate, but that so many are not'? (Risse, 2005: 11-12) Pogge is rightfully alarmed that 34,000 children under the age of five die each day from hunger and preventable diseases (Pogge, 2004: 274), but as Risse asks, 'Do we have to ascribe to the global order the fact that 34,000 children more *than in an ideal state of affairs* [...] die daily of such causes; or rather, the fact that not twice as many do?' (Risse, 2005a: 369) Observing that the 'human race has never been better off,' Risse gives substantial credit to the global order for this achievement (ibid.: 370). Nonetheless, he recognizes the problem of global poverty, as well as the difficulty of devising benchmarks or baselines for evaluating historical progress in overcoming it, and approaches the problem by examining the causes of growth and prosperity; if there is a duty to aid the global poor, he argues, 'it will be an empirical question of how actually to discharge that duty, and any answer to this question must be informed by our understanding of the sources of prosperity' (Risse, 2005b: 89). Agreeing with Dani Rodrik and others that the reasons for a country's wealth are more attributable to the quality of its institutions ('the institutional thesis') than its geography ('the geography thesis') or integration in world markets ('the integration thesis'), Risse adopts the view that what is owed to the global poor is support in building institutions that cultivate 'a culture of trust [...] commitment to the common good, and other hallmarks of a civil society' and command a broad base of domestic support (Ibid.). Beyond discharging this duty, he argues (following Rawls),² affluent countries are not obligated by any further redistributive duties, because 'there is no background for such claims among societies to be valid' (Risse, 2005b: 100). Unlike the relationship between compatriots, who adhere to the same rules of the game 'justifiable to each of them in virtue of its interference with their autonomy,' societies do not share a common coercive structure and therefore do not 'exist in an environment in which redistributive claims can be made' (Ibid.). Thus, according to Risse, if the global order can be said to harm the poor, it does so only to the extent that it fails to explore possibilities for assisting

developing countries in institution-building.³

Let us consider the implications of Risse's position: 'if the institutional thesis is correct,' he believes, 'what outsiders can do to foster prosperity is *limited* by what they can do to help build institutions, and while details must be left to case studies, *such limitations are plausibly quite severe*' (Risse, 2005a: 358, my italics). In other words, the institutional thesis imposes constraints on the duty to assistance, and Risse cites four *prima facie* reasons for them. These reasons might be termed, in turn, *organic evolution*, which holds that effective institutions grow internally of their own accord, not by way of 'import' from the outside; *autochthony*, which holds that effective institutions are not built by outsiders, who 'will inevitably shape them according to their own understanding'; *accountability*, which holds that only insiders bear responsibility for the success or failure of institutions, thus absolving outsiders of any responsibility *tout court*; and *independence*, which holds that institutions become unstable if they are dependent on outside influence (2005b: 91). What is of primary interest here, however, is not how the institutional thesis invites constraints on the duty to assistance, but rather the fact that it does so in the first place. By 'limiting' or 'constraining' the actions of outsiders, Risse's institutional thesis is, in this sense, reductive: it circumscribes the horizon of remedial options with respect to global poverty.

Such a targeted focus would seem appropriate in resolving a problem clearly understood, but Risse himself concedes that i) development economics is 'a field of substantial disagreements,' ii) a cure-all for the problem of global poverty is a chimera, and iii) the empirical data upon which the institutional thesis is founded are subject to change (2005a: 374; 356; 2005b: 86). There seems to be significant moral purchase in a move that closes off a range of solutions to a problem whose origins and existence remain open to question. Imagine for a moment a situation in which ten workers are trapped inside a burning factory located an hour away from a fire department. Four onlookers to the scene, visitors from another country who are nonetheless concerned for the lives of the workers, do not know whether the fire is the result of a haphazardly-discarded cigarette, a grease spill, or a combustible metal. They spend valuable time arguing about the most effective agent to extinguish it: water, foam, or a dry chemical. They have ample access to water, but some of them fear that it may spread a gas fire or exacerbate a metal fire. As outsiders, moreover, they worry that their potential attempt to put out the fire may not be as efficient or effective as one mounted by insiders. Wrought with

uncertainty, the onlookers resolve to advocate for the immediate establishment of a more proximate fire department and to assist in its organization to the extent possible. Meanwhile, the ten workers perish in the blaze. What this example illustrates is that the conduct of the onlookers, while arguably prudent to a degree, is morally troubling; they are of a sufficient number to attempt to attend to the fire and have the opportunity and means to do so. While water may aggravate the fire or do little to put it out, and while the support of a fire department attuned and accountable to the needs of a particular community is certainly desirable, the urgency and severity of the circumstances require that they act, and act with whatever means they find at their disposal. Similarly, when one underscores the urgency and severity of a conflagration in which 34,000 children under the age of five die *each day* from hunger and *preventable* diseases – an empirical fact of critical import – it becomes apparent that the course of action sanctioned by Risse's position is morally troubling. What we might call the *urgency and severity principle* forces the issue of a duty regardless of whether or not countries share a coercive structure. It makes little difference that the onlookers in the example are outsiders. When immediate, short-term costs are so profoundly high, it is morally questionable to subscribe to conduct that restricts itself to the support of indirect, long-term measures (i.e. support to institutions) and nothing more, especially when the empirical basis of such support is subject to change. For a moment, let us call this claim supposition A.

One might consider supposition A by way of its inverse, a more subjunctive supposition B: if there were only a *threat* of 34,000 children dying each day from extreme poverty at a point in the not-too-distant future, it would be questionable to subscribe to conduct that restricts itself to the support of direct, short-term measures (i.e. cash disbursements of aid) and nothing more, especially when the empirical basis of such support would be subject to change. Such a scenario might see affluent countries directing a massive amount of funds from a finite supply to developing countries with no consideration given to development sustainability whatsoever – cutting large checks and running, as it were. Both suppositions A and B, then, should be considered risky wagers, but due to considerations of urgency and severity, supposition A risks significantly more than supposition B. This is expressed in the following table, organized along the lines of Pascal's famous wager:

	Institutional Thesis Holds	Institutional Thesis Does Not Hold
Supposition A: Indirect, long-term measures (i.e. restricted to support for institutions)	Gain all	Misery
Supposition B: Direct, short-term support (i.e. restricted to support for developmental aid)	Gain a little (e.g. some of the development aid happens to be spent by the poor countries on the growth of institutions)	Gain some (e.g. some funds ameliorate the plight of the poor, but the rest is ill-spent, its effect diluted over time)

The problem with Risse's stance (supposition A) is not that it calls for a duty of assistance in support of institutions – after all, if the institutional thesis holds, it would prove most effective, as seen above – but rather that it stops there, risking the highest cost of human misery. Along the way, it seems to forget what it presupposes, namely, that the sources of prosperity, and therefore poverty, are open to dispute among experts and that the problem of poverty is urgent and severe. Indeed, Risse wants to go where the empirical question of what makes countries rich or poor takes us (2005b: 86), and since the answer is by most accounts unclear, one direction is toward greater uncertainty. To negotiate such uncertainty, we might add to the geography, integration, and institutional theses, then, a *matrix thesis*, which holds that the deep causes of growth are the result of a matrix of factors – including climate, proximity to natural resources, integration in the global market, quality of institutions endowing a society with 'a culture of trust,' etc. – where one factor tends to predominate over others due to the specific geographical, historical, and cultural context in which a given society finds itself. It is important to note that Risse accepts the tenets of the matrix thesis and remarks that the interpenetration of the geography, integration, and institutional theses is more a rule than an exception (Ibid.). But by not elevating its tenets *as a thesis* in and of itself – a thesis supported, moreover, by all empirical data – he overlooks its relevance for a normative inquiry. From this perspective, it is Thomas Pogge who, by keeping the urgency and severity of the problem of global poverty front and center in his discussion, offers a course of action in line with the matrix thesis. By critiquing the resource and borrowing privileges, which go a long way to undermine 'a culture of trust' in a given society, Pogge holds, *inter alia*, that affluent countries have a duty to support insti-

tutions. To this duty he appends further redistributive duties that may be seen to address other sources of poverty unaccounted for or unforeseen by the Risseian institutional thesis. Further, these duties exact no great sacrifice from affluent countries. Whereas for Risse the broader duty to assistance is 'constrained by the difficulties involved' (2005a: 358), for Pogge it is discharged by a number of conceivably modest, achievable measures, such as the Tobin Tax or Global Resource Dividend. With thousands dying each day from severe poverty, a global phenomenon not yet fully understood, there is a high moral cost in limiting the means of assistance to only one factor believed to spur growth. A fire is raging, and Pogge is right to call on us to use all imaginative means to put it out.

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Endnotes

¹ According to Oxfam (2002: 2) America's cotton farmers receive 'more in subsidies than the entire GDP of Burkina Faso [... or] three times more in subsidies than the entire USAID budget for Africa's 500 million people.'

² In *The Law of Peoples* (1999: 111).

³ Risse arrives at this conclusion after finding insufficient the Poggeian arguments of Uncompensated Exclusion, which holds that affluent Western states exploit a 'single natural resource base from whose benefits the worse-off are largely, and without compensation, excluded' – thus 'harming' the poor in the sense of depriving them of their rights – and of Shared Institutions, which holds that affluent Western states 'impose a shared institutional order on the worse-off' that perpetuates 'radical inequality' despite the existence of more egalitarian, feasible alternative orders – thus 'harming' the poor in the sense of thwarting their interests. Rather than recounting the specific ways in which Risse attempts to deconstruct Uncompensated Exclusion and Shared Institutions, it is sufficient to question the institutional thesis he takes up in the first place, as it frames his entire enterprise. See Risse, (2005a: 355-56; 376).

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