Contractualism and Global Economic Justice

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Abstract: This article examines Rawls’s and Scanlon’s surprisingly undemanding contractualist accounts of global moral principles. Scanlon’s Principle of Rescue requires too little of the rich unless the causal links between them and the world’s poor are unreliable. Rawls’s principle of legitimacy leads him to theorize in terms of a law of peoples instead of persons, and his conception of a people leads him to spurn global distributive equality. Rawls’s approach has advantages over the cosmopolitan egalitarianism of Beitz and Pogge. But it cannot generate principles to regulate fairly the entire global economic order. The article proposes a new cosmopolitan economic original position argument to make up for this lack in Rawls’s Law of Peoples.

Key words: Global Justice, Contractualism, Rawls, Scanlon, Law of Peoples, Legitimacy, Original Position.

The statistics on global poverty and inequality are so dramatic that theories which ask little of us and our institutions risk the charge of complacency in the face of obvious injustice. Here I focus on Rawls’s and Scanlon’s contractualist theories, and the surprisingly undemanding principles that—it is claimed—each yields. In each case, I argue that the theories may require more of us than the theorists believe. My aim is to indicate work that needs to be done concerning what morality demands of our personal resources, and concerning what global institutions we should support, by those who find these contractualist theories compelling.

I. Contractualist Demands on Individuals

In Scanlon’s contractualism, what we owe to each other is to act in accordance with principles that no one could reasonably reject (Scanlon 1998). One ground for reasonably rejecting a principle, Scanlon says, is that its being in effect would render some people badly off, and there are other principles available which would render no
one that badly off (Scanlon 1982, 111). So for example a principle allowing gratuitous deception is reasonably rejectable because under it some people would be badly off (namely, the deceived), and there is another principle available (forbidding deception) under which no one is as badly off as the deceived would be were such deception allowed. Essentially, this principle is reasonably rejectable because the deception it allows would make the deceived worse off than a principle forbidding deception would make potential deceivers. Since any principle of gratuitous deception is reasonably rejectable, gratuitous deception is morally wrong. Scanlon uses this form of argument to account for the main so-called “negative” moral duties, such as duties against deceiving, injuring, promise-breaking and the like.

The form of argument is general, so it bears on our “positive” duties of assistance as well. Here the form of argument should generate pressure for redistributing material resources toward equality. For each principle P that allows A to control more resources than B, there is a more egalitarian principle under which no one is as badly off materially as B is under P. So those who would be rendered worse off by less egalitarian principles have grounds for rejecting such principles in favor of more egalitarian ones. And the marginal diminishing value of resources should further intensify this pressure toward redistribution.

Which is why what Scanlon actually says about duties to the distant needy is so unexpected. Scanlon presents what he calls the “Rescue Principle” for situations in which one can alleviate someone’s dire plight like starvation.\footnote{He says this Rescue Principle is not reasonably rejectable: it does impose moral requirements. Yet according to the Rescue Principle assistance is required only if it can be given at a “slight or moderate” cost—one is required to help when one “can very easily do so” (Scanlon 1998, 224-5). Given the egalitarian tendency of his theory, this is a surprisingly undemanding principle for Scanlon to endorse.} Thomas Nagel offers the following guess as to why Scanlon is so lenient (Nagel 1999, 12):

While no one could reasonably reject some requirement of aid from the affluent to the destitute, the cumulative effect on an individual life of an essentially unlimited requirement to give to those who are very much worse off than yourself, whatever other affluent people are doing, would simply rule out the pursuit of a wide range of individualistic values—aesthetic, hedonistic, intellectual, cultural, romantic, athletic and so forth. Would the certain abandonment of all these things provide reasonable ground for rejection of a principle that required it—even in the face of the starving millions? The question for Scanlon’s model would be whether it could be offered as a justification to each one of those millions, and my sense is that perhaps it could, that one could say: ‘I cannot be condemned as unreasonable if I reject a principle that would require me to abandon most of the substance of my life to save yours.’
Yet can one’s “hedonistic” and “athletic” projects really weigh much in the scales against the misery of the destitute? A contractualist must not take up Nagel’s suggestion for resisting more significant duties of assistance, because of the relative triviality of these values. If disruption to personal projects were reasonable grounds for rejecting a principle of assistance, they would equally be grounds for rejecting principles forbidding aggression, coercion or deception. But no one thinks that disruption to person projects of the kind that Nagel mentions should weigh heavily in considering, e.g., a principle forbidding the infliction of serious injury. If Nagel’s sort of appeal is to have any force in limiting the demandingness of contractualism, it cannot work by focusing solely on the amount of “donor sacrifice.”

The real cause for a contractualist concern is that “donor sacrifice” might diverge from “recipient benefit.” Before deciding to give his resources, a donor needs confidence that these resources will be used and not wasted, that they will be used for the most urgent projects, and that these projects can reasonably be expected to work toward the long-term good of the recipients and their progeny.

It is currently difficult for the average potential donor to have such confidence. This is especially true given popular stories about global aid and development where, in a cruel inversion of Mandeville, private virtues have turned into public vices. Certainly it would seem less compelling to abandon “the substance of one’s life” if what one sacrificed were to be used in ways that merely increased population pressure, or furthered some bureaucrat’s career; or if one’s money merely freed up resources to buy weapons for a pointless war, or freed up funds to pay off loans that would have been forgiven anyway. A contemporary rich individual’s relation to the global poor may appear quite unlike being able simply to hand meals across the railroad tracks. It may seem more like having to throw food across the tracks through the open windows of speeding trains.

Were this kind of causal disconnect to obtain, it would make a real difference to the demandingness of contractualist morality. For it is not simply our duty to spend a certain amount of money or seconds or calories in trying to help others, independently of the efficacy of the channels of transmission. It must be reasonable to reject a principle of assistance on the grounds that the sacrifice demanded of one is very much greater than the benefit it provides to the other person, even if the other is very much worse off. Bill Gates could not be morally required to give up his entire fortune to provide just one penny for even the neediest soul. This “comparative benefit” grounds for rejection will generate a counter-pressure against redistributive equalization within any plausible contractualism.

Given this, I believe that the main work for a Scanlonian contractualist to do on the question of direct action by the global rich for the global poor is not philosophical but empirical. If the causal links are good—that is, if rich individuals can in fact improve the long-term well-being of the poor and their descendants through direct action with their time and money—then contractualism may place on the rich individuals quite significant demands. The worse the links are, the less this form of contractualism will require. The important work for theorists is therefore to investigate (what is not well documented in the normative literature) how much rich individuals can help at what cost.
II. Why Do Institutions Need Special Justification?

Individuals face a daunting causal nexus, but institutions have a causal efficacy that individuals lack. Hegel (1978, 255-6) epitomizes this familiar thought: “Intelligent, substantial beneficence is... in its richest and most important form the intelligent universal action of the state—an action compared with which the action of a single individual, as an individual, is so insignificant that it is hardly worth talking about…. The only significance left for [individual] beneficence... is that of an action which is quite single and isolated, of help in need, which is as contingent as it is transitory. Chance determines... whether it is a ‘work’ at all, whether it is not immediately undone and even perverted into something bad.” Institutions often have greater skills in predicting consequences, more accurate and systematic memories, greater ability to carry through plans, and more power to influence others’ decisions (O’Neill 1986, 37-8). One would think, therefore, that more could be expected from them.

To the extent that institutions with global reach are or can become causally efficacious channels for the rich to get their resources to the poor, a Scanlonian contractualist will say that the rich individuals who can control these institutions must use them as instruments for fulfilling their individual obligations. This follows directly from the “positive” duties of assistance described above. No connection here is assumed between rich and poor beyond the causal.

However, some have thought that global institutions have a moral significance that goes beyond their instrumentality for carrying through the positive duties of the rich (e.g., Pogge 1998, 504-7). For global institutions, it is claimed, generate their own species of unfairness. Since many of the statistics cited in discussions of global economic justice are set in terms of collectivities and their institutions, it is worth isolating exactly which phenomena are supposed to show that institutions have this extra moral significance.

It cannot be simply the fact that those who live under some national institutions are on average materially better off than those who live under others. Given the immense expansion of world product, “zero sum” reasoning is obviously inappropriate here. It is not the case that if some are advancing it must mean that others are declining, or that if some have more others must have less. Different institutions might just produce different average levels of material wealth, and if national societies were not sufficiently connected to each other there would be no special cause for moral concern (Miller 1999, 188-91).

However, national societies are of course connected to each other by many global and transnational institutions. Moreover, it is very plausible that the well-being of the worst off is significantly affected by the actions of the better off through these institutions; and of course the worst-off are very badly off in comparative and absolute terms. Still, one may wonder whether these facts alone are sufficient to establish a special problem of institutional justice.
The literature is interestingly divided in its emphasis on this point. The right tends to stress that all humans once lived at subsistence, and that poor countries are as materially well-off and as populous as they are today mostly because of their contacts with developed countries (e.g., Bauer 2000; Hayek 1988, ch. 8). The left tends to point out how rich countries use their overwhelming power to skew international institutions to work in their own favor (e.g., Pogge 1992, 56; 1994, 223; 1998, 506; 1999, 360).³

Both sides can be correct here. Interaction with richer countries may have made poorer countries materially better off than they would have been, but not as well off as they could have been. This kind of situation obtains in a wide variety of cases (for example, with parents and children, or universities and professors). In such situations the question is always whether the one party has done enough with respect to the other. So we must determine the type of relationship the parties are in, and the responsibilities of the parties in relationships of that sort.

And here we do hit the kind of phenomena that give rise to a distinct problem of international justice. For, it is claimed, international institutions do not just connect people and influence their fates. International institutions are coercively imposed, especially by the rich on the poor (Pogge 1998, 276). This is the sort of fact that a contractualist would claim necessitates a separate treatment of global institutional justice, such as the Rawlsian account that will be examined in the following sections. Coercion requires special justification.

Now before simply assuming that international relationships are coercive, we should be careful to specify what coercion causes the concern. The WTO, for instance, presents itself as an international “fair and stable trade club,” accepting applications from anyone who agrees to the club rules. To assent that there is coercion here, one should want to be precise about who is threatening whom and why these are threats and not offers. But there can be little doubt about the coercive imposition of the basic system of limited state sovereignty and international relations that the West has imposed on the world, and which continues to be upheld by the economically and militarily dominant countries (Hurrell 1999, 248-55; Pogge 1989, 276; 2000, *) If it is correct that this state system is coercively imposed by some on all, or by all on all, then the standards for judging its rules and outcomes become much stricter. A club must merely ensure that all subscribers are held to its agreed terms; but an inescapably coercive system of rules must prove itself fair to all—and especially to those who do worst by it.

The dominant contractualist theories of fair coercive global institutions derive from the work of John Rawls. In the next section I contrast Rawls’s own global theory with the cosmopolitan egalitarian interpretation of justice as fairness. This contrast will reveal why Rawls holds a theory of global economic justice that is surprisingly undemanding of richer countries. In the following section I canvass what can be said for and against the path that Rawls takes. Finally I propose a new original position argument as one way of making up for an important defect in Rawls’s account.⁴
III. Why is Rawls Not a Cosmopolitan Egalitarian?

Rawls’s fundamental norm is that coercive political power is only legitimate when exercised in accordance with ideas that all who are coerced can reasonably accept (Rawls 1993, 136-7). This norm of legitimacy bears obvious similarities to Scanlon’s contractualist criterion discussed above. It is also crucial for explaining why Rawls—perhaps our leading egalitarian individualist—propounds a theory of global justice that is neither egalitarian nor individualistic.

Rawls’s theory of justice for the institutions of a modern democratic society, “justice as fairness”, is well known (Rawls 1971). The basic structure of such a society is a set of coercive institutions that greatly influence citizens’ life chances by the ways that it divides up the benefits and burdens of social cooperation. A just basic structure will be a fair scheme of cooperation among citizens regarded as free and equal. Rawls draws out the implications of these fundamental ideas with his original position thought experiment, which places representatives of free and equal citizens in fair conditions for choosing the terms of social cooperation. The representatives deliberate behind a veil of ignorance that hides from them morally arbitrary facts about the citizens they represent, such as their economic class. Rawls holds that two principles would be selected in this original position: the first affirms that familiar rights and liberties should be strongly protected; the second proposes a progressive principle of equal opportunity and the radically egalitarian difference principle. According to the difference principle, inequalities of wealth and income between citizens should be allowed only insofar as these inequalities benefit the least-advantaged citizens.

Charles Beitz (1979), (1983) and Thomas Pogge (1989), (1994) have proposed a cosmopolitan reformulation of Rawls’s justice as fairness as the solution to the problem of global justice. The global basic structure is, they claimed, also a scheme of coercive institutions that significantly affects individuals’ life chances by dividing up the benefits and burdens of worldwide social cooperation. It likewise should be a fair scheme of cooperation, amongst “citizens of the world” viewed as free and equal. A global original position can be constructed to represent these “world-citizens” fairly by veiling from their representatives morally arbitrary features such as country of citizenship. The result is a globalized version of Rawls’s two principles of justice, and in particular a global difference principle that would require economic inequalities to work to the advantage of the world’s worst-off individuals.

When Rawls finally published his own theory of global institutions, “the law of peoples,” it surprised many readers and disappointed the cosmopolitans (Rawls 1999). First, and contrary to the cosmopolitan interpretation, Rawls stipulated that the parties in the global original position should not be thought to represent individual human beings. Rather, each party in the global original position should represent a whole society—or a “people” as Rawls prefers to say. Moreover the principles that Rawls claimed would be agreed upon in such a global original position are quite dissimilar to the two principles of justice as fairness. They are instead closer to familiar and conventional principles of modern international relations.
Specifically, Rawls’s principles of the law of peoples state that peoples have rights to self-defense, and should obey the rules of war; that peoples should abide by their treaties, and should respect basic human rights; and that peoples should set up cooperative organizations like a world bank, and should ensure fair trade. Beyond this Rawls does include a limited “principle of assistance” that requires wealthier countries to help “burdened” peoples in developing and maintaining decent and stable domestic institutions. But he includes no principles of economic egalitarianism whatsoever—that is, he includes no principles aimed directly at narrowing the economic gap between richer and poorer countries. As Pogge (1989, 246) remarked in discouragement on an early version of Rawls’s theory of global relations, “I am at a loss to explain Rawls’s quick endorsement of a bygone status quo.”

The puzzle of Rawls’s rejection of cosmopolitan egalitarianism deepens when we see why he does not reject it. Rawls does not reject cosmopolitan egalitarianism because he worries about foisting international egalitarianism on the deeply inequalitarian cultures of the world—for he claims that he would abjure global egalitarianism even amongst peoples all of which accepted justice as fairness (1999, 119-20). Nor does he doubt that fellow-feeling amongst the citizens of different countries could grow strong enough for the global rich to support continuous redistribution to the global poor (1999, 112-13). Nor does he argue that global institutions could never be adequate to carry out an egalitarian program (1999, 112-20). Why then does Rawls reject cosmopolitan egalitarianism?

To understand why, we must first examine why Rawls populates his global original position with representatives of peoples instead of people. Here is where Rawls’s norm of legitimacy becomes crucial: coercive political power is only rightly used when exercised in accordance with ideas that all who are coerced can reasonably accept.

This norm first appears in Political Liberalism (Rawls 1993). In this book Rawls says that the pluralism of modern democracies rules out drawing the ideas that will serve as the basis of coercive domestic institutions from the “comprehensive doctrines” of any group of citizens (1993, 36-40). Muslims, for instance, could reasonably reject the Lutheran tenets of their neighbors as a basis for ordering the basic structure of their society. The only other source of ideas for grounding social institutions, Rawls says, is the society’s public political culture, understood as the political institutions of the regime and the public traditions of their interpretation as well as the historic texts and documents that have become part of common knowledge (1993, 13-15). All citizens can reasonably accept coercion on the basis of concepts and principles found in the public political culture, because all can acknowledge that the public culture is a focal point of “implicitly recognized basic ideas” that are most likely to be “congenial to [citizens’] most firmly held convictions” (1993, 8).

In a liberal democracy, the public political culture will contain at the deepest level the ideas that citizens should see each other as free and equal and as cooperating fairly with one another. So domestic coercive institutions will be legitimate only if they are based on these fundamental ideas of freedom, equality, and fairness. This constrains legitimate domestic institutions to those that assure priority for basic rights and
opportunities, and provide assurance that all citizens will have adequate means to take advantage of these (Rawls 1993, 6). (Justice as fairness is, then, one theory for constructing a legitimate basic structure.)

Turning now to the law of peoples, Rawls’s fundamental norm requires that principles for coercive global institutions must be worked up out of ideas that are reasonably acceptable to all who will be coerced by them. Analogously to the domestic case, we will have to look in the global public political culture to find these ideas. That is, we will have to look to global political institutions and the public traditions of their interpretation, as well as the historic global texts and documents, to find the ideas on which to base principles of global justice.

And this is precisely, I believe, where Rawls balks at cosmopolitanism. For while documents in the global public political culture like the Universal Declaration of Human Rights proclaim the freedom and equality of all men, such declarations mainly concern how domestic governments should treat their own citizens. They are not primarily about how citizens of different countries should regard and relate to each other. Moreover while citizens of different countries are bound in their dealings with each other by international criminal law and the Geneva Conventions, in the main the political institutions of international society work in terms not of individual citizens but of states, or (as Rawls would have it) “peoples”. Peoples, not people, are the main actors in the public political culture of international treaties, conventions and organizations.

There simply is no robust global public political culture which emphasizes that the citizens of different countries ought to relate fairly to one another as free and equal. There is no focal point comparable, that is, to the ideas of free and equal citizenry contained in the public political culture of a liberal democracy. It is peoples, not citizens, that international political institutions regard as free and equal, and so it is these ideas of peoples that Rawls thinks he must use to develop his global political principles.

Rawls no doubt believes as much as anyone that all humans should be regarded as free and equal to each other. But he believes more deeply that people should not be coerced except for according to a self-image reasonably acceptable to them. In this way, Rawlsian politics is identity politics. Since “global citizens” cannot be assumed to view themselves as free and equal individuals who should relate fairly to each other across the board, we cannot build coercive social institutions which assume that they do.  

This explains why Rawls is not a cosmopolitan, but not why he fails to be an egalitarian. After all, the global public political culture does contain the ideas that peoples should be regarded as free and equal, and that the society of peoples should be fairly regulated. But these are just the ideas that led to the domestic difference principle. Since the fundamental ideas of a global society of peoples so closely resemble those of the liberal society of citizens, should Rawls not advocate that economic inequalities between peoples are only permissible if they work to the advantage of the least advantaged societies? 

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The answer is no, for one striking reason. As Rawls sees them, peoples and individual citizens simply have different fundamental interests. To put it bluntly, citizens in a liberal society have an intrinsic interest in gaining greater wealth and income, since these are all-purpose means for pursuing their various goals. Peoples, on the other hand, as such have no interest in greater wealth. For a people, material prosperity is optional: if a people desires more wealth, it is free to pursue this through international trade or loans. But as such, peoples only have interests in protecting their territorial integrity, securing the safety of their citizens, maintaining their independent and just social institutions, and sustaining their self-respect as peoples (Rawls 1999, 24, 34). As Rawls defines them or discovers them in the relevant public political cultures, citizens as such want more wealth, while peoples as such do not.

Therefore peoples as such are indifferent to the economic distribution of wealth, unless this has some secondary political impact. A people must be concerned with its level of wealth if, for example, this is insufficient to support a free and just political order (and from this interest will spring Rawls’s international duty of assistance to burdened societies). Yet above the goal of internal justice and given no political knock-on effects, a people as such is blissfully indifferent to its economic status relative to other peoples. This is why the distribution of wealth is a problem for citizens, but not for peoples. There need be no principles for distributing adiaphora.

Rawls’s characterization of the interests of peoples raises many questions. For example: how can it be that each citizen that makes up a people has an interest in more wealth, while the collectivity of citizens has no such interest? It might also be wondered whether Rawls’s characterization simply loses touch with reality, as a drive for material prosperity seems a fixed point in the motivation of the world’s nations. Instead of considering these specific questions, I want to take a broader view of whether there are lessons to be learned from contrasting Rawls’s and the cosmopolitan egalitarian approaches to global economic justice.

IV. For and Against a Law of Peoples

In practical terms, Rawls’s law of peoples may be closer to egalitarianism than he makes it seem. His “principle of assistance” demands that richer countries do whatever they can to see that all countries can stably maintain decent governments that respect basic human rights. This will require significant effort by the richer countries to improve the situation of the world’s poorest nations—a noteworthy implication. Moreover, if Pogge is right, the chronic destabilizing corruption inflicted by rich politicians and businesspeople on poor nations’ governments cannot be overcome without reducing the huge differentials in per-capita GNP (Pogge 1994, 214; 2000, * [pages 11-15 in conference draft]). Finally, Rawls may be forced after all to admit that poorer peoples will want a more equal distribution of national wealth—not because peoples want wealth in itself, but because they are concerned to maintain their own self-respect as peoples.
Yet what are we to make of Rawls’s theoretical strategy, and especially his anti-cosmopolitanism? My view is that Rawls demonstrates that theorizing in terms of peoples (or states or nations) has real advantages, but that it also leaves at least one important topic out of reach.

One real advantage to Rawls’s rejection of cosmopolitanism is that in addressing peoples (or their close equivalents) it addresses agents that have crucial roles in the world as it is. The importance of this is one major theme in Onora O’Neill’s work on poverty (O’Neill 1986). To be a guide to action, arguments must be accessible to those who are to be guided by them. And an exclusively individualist picture of agency will be inadequate to problems of world poverty because it fails to address the institutional and collective agents that make vital decisions about what is to be done (O’Neill 1986, 32-5). Agencies such as peoples have practical perspectives of their own, and how they reason is a significant (indeed perhaps the most significant) factor in how the world is run.

The payoff for Rawls’s working in terms of peoples is that the principles that he says are derived from his global original position include many that are absolutely essential for keeping the world order even minimally tolerable. Consider principles such as that nations have a right to self-defense but not to aggressive war, that nations should abide by the rules of war and keep their treaties, and that they should trade fairly with each other. These principles are no less important because they are part of a familiar “status quo,” or because they are often honored in the breach. They are principles that the world lives or should live by, and we should be lost in global affairs without them.

Indeed Rawls’s mild “principle of assistance” gains much of its force because it is derived from an argument (Rawls’s global original position) that also endorses these basic principles of global justice that we already condone. Original position arguments work, after all, not just because they are built from compelling premises, but because they both “accommodate our firmest convictions and … provide guidance where guidance is needed” (Rawls 1971, 200). Recall that in justice as fairness our approval of the principle of equal basic liberties is meant to wash over our uncertainty about the difference principle. Similarly in the law of peoples, our endorsement of Rawls’s principles of a peaceful, stable world should spill over to his principle for aiding “burdened” societies. So far as I know, cosmopolitan theories have proposed radical economic principles without yet showing that their form of original position reasoning can “accommodate our firmest convictions” on global justice. So cosmopolitan egalitarians need another horse to put before their cart.

On the other hand, cosmopolitans are dead right in their charge that theorizing exclusively in terms of peoples appears to be lacking because of the absence of “normative individualism” (Føllesdal 1997, 151). It is striking Rawls’s law of peoples evidences no direct concern for individual well-being whatsoever. A people’s motivation to act on the principles Rawls proposes does not spring from any ground-level concern for individual welfare. When one people intervenes in another people’s affairs—for instance to stop human rights abuses or to provide food aid—the intervening country does not do this for the sake of the well-being of the tortured or the starving individuals in the other
country (Pogge 1994, 209-10). Rather, the intervening country is trying to bring the other
country (back) to legitimacy so that it can play its role in the society of peoples. And the
criterion of legitimacy itself is not based in concern for individuals; it rather simply de-
defines the minimal standard for a people’s moral agency. It is as if societies were humans,
with their individual members as merely the cells of their bodies, and one society gave
health care to another in order to enable it to rejoin the scheme of social cooperation. This
failure of people’s concern to “trickle down” to individuals seems peculiar, even if it has
no untoward consequences in the theory.

Even more importantly, some crucial interests of individuals cannot in Rawls’s
structure “trickle up” to become the concerns of their peoples. This does have untoward
consequences in the theory, as we can see from looking at Rawls’s account of fair trade.

Rawls’s principles for trade are meant to be fair amongst free and equal peoples
who have decided to increase their wealth through exchange. These principles state that
nations should keep their economic treaties, that there should be a world bank, and that
obvious market imperfections like monopolies and oligopolies should be discouraged
(Rawls 1999, 42-3). What is notable is that these are all provisions that allow *peoples* to
relate to each other fairly. Indeed, Rawls could have added all of the main WTO rules to
his list, such as the rules that nations not distinguish amongst trading partners, the rules
demanding national laws to give equal treatment of foreign and domestic products, the
rules against subsidies (one nation trying to boost its own industries), and the rules
against dumping (nations exploiting market imperfections to knock out another country’s
industries). These provisions all seem sensible as far as they go; what they lack is any
concern for *individuals’* economic interests. They are not the sort of rules that could, for
instance, help Indonesian factory workers in a labor dispute with a multinational
corporation; or help an Indian community that had been the victim of an industrial
accident.

And of course individuals do have their own independent interests in gaining
economic goods and avoiding economic bads. Justice as fairness (Rawls 1982, 166) tells
us, for example, that individuals want income as a generic resource for pursuing their life
plans—and there is no reason to think that individuals have an interest only in
domestically generated income. Individuals have interests in income, employment,
economic opportunities, good working conditions, clean air, and more. And the structure
of the coercive institutions that regulate international economic activity can affect these
interests significantly. Yet within a law of peoples these individual economic interests
cannot percolate up into the theory, since the theory is exclusively about how peoples
should relate to each other. This is why Rawls’s type of theorizing about global justice
needs supplementation.
V. A Cosmopolitan Economic Original Position

Original position arguments are simply a way of moving from a conception of agents and their moral relations to definite principles. What is needed to supplement Rawls’s global original position is an argument that relates individuals fairly to each other regarding the effects they have on each other through international economic activity.

The materials we have to work with in constructing this new original position argument are limited, since (as argued above) we must stay within the bounds of legitimacy by using ideas and conceptions that are reasonably acceptable to everyone who will be coerced. We can maintain such reasonable acceptability, I believe, by drawing on ideas and conceptions from three sources. First, there is the global public political culture of international institutions (such as the UN) and documents (such as the Universal Declaration of Human Rights). Second, here possibly going beyond Rawls, we may draw on common knowledge of human beings and their interests. Third, and definitely extending the Rawlsian approach, we may add what those who take part in the international economic order must reasonably presume about the other people who participate in this order. For example, consumers must reasonably presume that there are producers, and polluters must reasonably presume that any consumers of their pollution may be damaged by it. Drawing on even this limited range of sources may yield enough material to get some definite results.

The new original position can be laid out in this way. The conceptions of the person that we use are of the consumers, producers, and owners of internationally generated economic goods and bads. We can define these persons by their interests. Consumers have interests in consuming more goods and services, but less pollution. Producers have interests in job opportunities, income, employment stability, decent working conditions, and so on. Owners have an interest in maximizing return. And human being in all these roles have interests in long-term health and in developing and maintaining at least basic abilities rationally to direct their own activities. We can also assume a partial hierarchy in these “primary goods”, for example that basic physical health is more important than consumption of luxuries.

The moral relations we assume amongst persons so conceived is also minimal. We assume that these persons should relate fairly over time. This gives us a thin veil of ignorance. Representatives of our economic agents have veiled from them only the economic roles of those they represent and which generation those they represent belong to. So the parties do not know whether they represent consumers, producers, or owners, and they do not know when in the life of humanity those they represent live.

This veil also embodies the simple but powerful idea—which I believe is found in the global political culture—that all individuals’ lives are equally important. But we cannot knit a thicker veil from the assumptions that, for example, individuals are more robustly “free and equal.” Nor can we rightly assume that individuals’ class positions are arbitrary from a moral point of view. These ideas are not a deep part of the international political culture, so it would not be legitimate to coerce people in accordance with them.
What principles will this original position yield? Some principles will arise from commonalities of interests among the individuals represented. For instance, all economic agents have interests in economic predictability—so we should get prohibitions on theft and fraud, provisions for enforcing contracts, and the goal of maintaining price stability. Some principles will flow from the hierarchy of human interests. We should expect prohibitions on slavery and child prostitution; penalties for industrial negligence; requirements for minimally decent working conditions; and provisions for employment (if not job) security. But since we cannot assume that the current distribution of income is morally arbitrary, we cannot in this original position generate an argument for the difference principle by assuming a baseline of economic equality. This seems to me appropriate.

It may seem to some, on the other hand, that this original position is biased in favor of labor over capital. But capital is represented through its owners, and also, importantly, through the interests of future producers and consumers. We should therefore expect restrictions on international capital, but not strangulation insofar as we can expect that it will be laying golden eggs in the future.

As for institutional instantiation of the principles, much is already in place or easily implementable within current national laws or by existing international bodies. For some provisions—such as on working conditions—-institutions for enforcement are less clear. Yet the project of representing individual economic interests fairly in the international realm seems important and plausible enough for further work to be considered.

Bibliography


“Rescue”, with its connotations of transient emergency and restoring people to a level they have formerly attained, seems an inapt term to use in the context of global poverty.

Moreover because they can coordinate individual action, institutions may be able rightly to impose on individuals demands that it would be unreasonable to expect individuals to place on themselves (Beitz 1983, 599; Nagel 1999, 13).

Both emphases are found in Doyle’s (1997, 423-52) survey.

I explain Rawls’s rejection of cosmopolitan egalitarianism more thoroughly in my 2000a. I try to integrate Rawls’s published works together, as indicated in the next section, in my 2000b.

I paper over substantial differences in their presentations here. Pogge is no longer an unqualified supporter of the Rawlsian approach, although I believe he would welcome Rawlsians’ support for his Global Resource Dividend proposal. See Pogge (1999).

For the view that peoples should be treated as free and equal regardless how they view themselves as represented in the “public political culture” see Beitz (1993, 596); Pogge (1989, 270); Føllesdal (1997, 152-3).

For contrast see Beitz (1983, 598).

For the idea of a normative presumption of agency, see especially O’Neill (1996, 91-123).