



UNITARIAN UNIVERSALIST
COLLEGE *of* SOCIAL JUSTICE

An excerpt from a 2011 [TruthOut](#) interview of Thomas Pogge, “The Past, Present and Future of Global Poverty” by Keane Bhatt

Thomas Pogge: We live in a world where income and wealth are very unevenly distributed, and this leads to the widespread persistence of poverty. The bottom half of humanity is living in severe poverty....

The collective income of all these people - the bottom half - is less than three percent of global household income, and so there is a grotesque maldistribution of income and wealth. The bottom quarter of the human population has only three-quarters of one percent of global household income, about one thirty-second of the average income in the world, whereas the people in the top five percent have nine times the average income. So the ratio between the averages in the top five percent and the bottom quarter is somewhere around 300 to one - a huge inequality that also gives you a sense of how easily poverty could be avoided.

Given the total income and wealth available in the world today, we could easily overcome poverty, which would require raising the share of the bottom half from three to roughly five percent. Unfortunately, the trend is going in the opposite direction.....

I see a violation [of human rights] not in the mere fact that people don't have enough to eat and that they are very vulnerable. I see it in the fact that the economic institutional order of the world is associated with this very persistent poverty. Different institutional arrangements could stop and even reverse the slide towards ever-greater income disparities.

...I would stress that we should not think of poverty eradication as a matter of collecting money and giving it to the poor so much as of reforming the global rules that are disadvantaging the poor and making it impossible for them to fend for themselves...

Keane Bhatt: Let's talk more in detail about that, because your framework for understanding poverty is distinct from that of other philosophers. Some focus on a moral obligation to devote a great deal of our personal incomes to nongovernmental organizations as a duty to help, because not donating money to saving the lives of the global poor is akin to walking past a child drowning in a pond and not wishing to ruin one's shoes. You, however, say our duty to the poor is to stop actively harming them, which strikes most people as bizarre or counterintuitive. You say that as citizens of rich countries, you and I are responsible for this suffering and we should be working to minimize our role in their impoverishment. Can you explain this controversial position?

TP: Let me respond by saying, first, that I don't disagree with the duty-to-help argument... [But] rather

than add my own voice to the chorus, I have developed a different argument, and this argument - counterintuitive as it may be - really consists of very simple and pretty intuitive steps.

One point is that our global institutional arrangements - the basic ground rules that govern our world economy - are human-made. They don't exist naturally, nor are they God-given. We make these rules, those of the WTO [World Trade Organization] Treaty for instance, which fill tens of thousands of pages. These words have been strung together by human beings and are also interpreted and enforced by human beings.

The second point is that such global institutional design decisions have effects on how much inequality there will be, on how much poverty there will be, and on much else. This is a relatively straightforward point. People are fighting quite hard over these rules - different countries and corporations are trying to influence this rule-making process. And they wouldn't be fighting so hard over them if they didn't know that the design of these rules makes a difference to their own economic position.

Once you recognize those two pretty undeniable facts - that these rules are made by human beings and that they have distributional effects - you naturally get to the responsibility question.

KB: One thing that's striking is that these points are intuitive, whereas your work mentions the "demanding" task of conceiving "institutional morality." We're all familiar with assigning blame to an individual for hitting someone's car, but not with assessing the morality of the speed limit or lack of a stoplight. Are you saying that the rules themselves can be moral or immoral?

TP: Yes, social rules are susceptible to moral analysis. This is, again, relatively familiar in the domestic case, where we now condemn slavery as unjust. And when we affirm this judgment, we're not merely saying that all those people who owned slaves were unethical people; they shouldn't have done that. We do believe this, but that's only part of the point.

We also believe that the fugitive slave laws were unjust. The state should never have instituted and enforced legal property rights in persons, and should not have been in the business of returning runaway slaves to their "rightful owners." The whole institution of property in human beings was an unjust social institution and should not have been maintained in existence. It is this sort of thought that I'm appealing to at the supranational level.

Feudalism is another example. It's an economic system where a few people own all the land and the others have no option but to be serfs on such a feudal estate. We now condemn feudalism. We condemn not merely the feudal lords but we condemn the whole structure of rules that sustained feudalism.

I am asking people to think similarly about the world economy. We should condemn as unjust a global economic order that leads to ever-increasing economic disparities - provided this effect is foreseeable and provided it is also avoidable through some alternative institutional design that would foreseeably lead to much less poverty and inequality. If I am right to claim that these two provisos are satisfied (something that, of course, can be empirically disputed), then those involved in designing or imposing the existing rules are collectively responsible for the resulting excess deprivations and human rights deficits.

KB: So how is it that you and I are culpable? We didn't design the rules or actively advance this

system.

TP: Governments and their hired negotiators are designing these supranational rules and pressing for their adoption and for compliance - and the US government first and foremost. These governments are elected by us, funded by us, acting on our behalf, sensitive to our will, and so, we are not mere bystanders observing the injustice. To be sure, one citizen, or a few, may be powerless if all the rest are determined to benefit from the imposition of unjust supranational rules. But this excuse cannot work for large numbers. Just imagine 10 million US citizens saying in unison: "I am just one powerless citizen. There is nothing I can do to change my government's policies!"

[We must also recognize that] domestic power structures are shaped in good part by global arrangements. As I analyze in one chapter of my "World Poverty" book, dictatorial regimes often manage to keep themselves in power because they are recognized by foreigners as representing the state and its people, and therefore as entitled to sell the country's natural resources and to borrow money in its people's name. These privileges conferred by foreigners keep autocrats in power despite the fact that they were not elected and do not rule in the interest of the population.

Conversely, the domestic power structure - how power is exercised in the United States, for instance - also greatly influences the structure of international institutions. So, for example, the Clinton administration was very influential in shaping the WTO treaty, and, because of the way the US domestic political system works, this meant that corporations could use the US government to wield a huge influence.

KB: It's interesting to apply this to mainstream discussions. Many prominent voices on global poverty, like New York University economist William Easterly or the British newsmagazine The Economist, blame kleptocratic regimes, endemic corruption and "bad government" for poverty's persistence in the third world. But if the ascendance of dictators like Marcos, Suharto, Sese Seko, Sani Abacha or the Duvaliers is incentivized by what you've just described, then the policy-shapers who defend the current global arrangement are implicated in the very ills that they denounce.

TP: Right. If we offer a prize, so to speak, to anyone who manages to bring a country under his physical control - namely, that they can then sell the country's resources and borrow in its name - then it's not surprising that generals or guerrilla movements will want to compete for this prize.

But that the prize is there is really not the fault of the insiders. It is the fault of the dominant states and of the system of international law they maintain. They create this disturbing fact that, if only you manage to bring a national territory under your physical control, then you will be recognized worldwide as its legitimate government: entitled to sell its people's natural resources, to borrow and sign treaties in their name, and entitled also to import the weapons you need to keep yourself in power.

KB: Could you talk more about their right to borrow money? So many poor countries' citizens end up paying off odious debt over decades despite having had no say in acquiring it.

TP: The fact that oppressive and corrupt regimes can borrow money in the name of the whole country means that the country's future generations will be weighed down by interest and repayment burdens, even if the money has been frittered away in some frivolous way, embezzled or used for weapons to suppress the country's population. A dramatic example is Rwanda, which borrowed a lot of money.

Some of this was used by the Habyarimana government to fund the genocide which killed some 800,000 Tutsi. In the end, the Tutsi resistance managed to overthrow the government - and then the successor government was asked to repay Rwanda's debt! The government complied, lest Rwanda be excluded from future borrowing....

KB: Are there any other examples of perverse incentives that arise out of this legal and economic framework?

TP: I should also mention our international banking system. It allows banks to accept funds gained from tax evasion and other crimes and thereby facilitates and encourages embezzlement by public officials, especially in developing countries, as well as tax evasion and tax avoidance by multinational corporations.

Countries compete in offering easy working conditions to their banks. In many jurisdictions, you can deposit money anonymously with no questions asked, even if the accepting bank knows that it derives from criminal activities. In the United States, for example, there are only two exceptions: banks have to report deposits they suspect to be related to either terrorism or drug trafficking.

But if your funds derive from trafficking women and children for sexual exploitation, for example, or from illegal arms trafficking or any other illegal activity, then banks in the US are legally free to accept your money and are not required to report your deposit to the authorities...

A corrupt ruler wants to be able to keep his money safe and to be able to spend it. And for this, he needs to convert it into a Western currency and store it in a bank abroad, where it can also earn investment returns and be bequeathed to his heirs. Global Financial Integrity estimates that less-developed countries have lost at least \$342 billion per annum in this way during the 2000 to 2008 period.....

KB: While you talk about half the world's population being in dire straits, [others sometimes] speak in upbeat terms of the progress made in alleviating poverty...

TP: The first thing to appreciate here is that the poverty trend is very sensitive to how high or how low the poverty line is fixed. The World Bank uses the outrageously low poverty line of \$1.25 per person per day, in US dollars of the year 2005.

Adjusting for inflation, this means that a household located in the United States would count as poor in 2010 only if its entire spending in that year had been below \$510 per household member. In poorer countries, the amount the Bank deems sufficient to escape poverty is much lower still.

... With such an extremely low poverty line, the Bank finds a mild decline in the number of poor people, which puts us on track toward achieving the 27 percent reduction in this number that the first Millennium Development Goal promises for the 1990-2015 period. But the World Bank's own data show that, if they had chosen a more adequate poverty line, perhaps one twice as high at \$2.50 per person per day.... then they would have found a slight increase in the number of poor people between 1990 and 2005, the last year for which full data are now available.

So it is essential to the World Bank's upbeat picture that it chooses an extremely low poverty line. As every resident of the US can confirm, you could not have met your basic needs here in 2010 on \$1.40

per day or \$510 per year...

To make a proper moral appraisal of the prevalence of severe poverty today, we should focus not on comparisons with times past, when the global average income was much lower, but on a comparison with what would be possible in our time, given the current global average income and level of technological and administrative development.

Consider a more distant case where our attachment to the status quo does not cloud our judgment. Think of US slavery in 1850, or the subjection of women. Both of these injustices could have been - and were! - defended by pointing out, quite correctly, that this situation of slaves and women had been improving throughout the preceding century. Slaves, in particular, were worked less hard, beaten and raped less frequently, better fed, and less often ripped apart from their families.

So would a celebration of moral progress have been appropriate in 1850? Surely not. Slavery could have been and should have been abolished - then, if not before.

And this is what I say about severe poverty. Yes, it's getting better by some measures, but it's also becoming ever more scandalous because it is now so easily avoidable. A few hundred years ago, perhaps 85 or even 90 percent of humanity lived below a standard of living that today only 40 or 45 percent fail to reach.

But at that earlier time only part of this poverty could have been eradicated, and this at substantial cost not only to the pleasures of the affluent, but also to their well-being and to human culture.

In our time, nearly all severe poverty could be eradicated at a cost to the affluent that is truly trivial. It is perfectly consistent - and also true - to say that the world poverty problem today is smaller (relative to world population) than before and yet also a much graver injustice.

Thomas Pogge is a German philosopher and is currently the Director of the Global Justice Program and Leitner Professor of Philosophy and International Affairs at Yale University. This reading was excerpted from a Truth-out interview with Pogge in May, 2011. The full interview may be found [here](#).