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WHAT, IF ANY, ARE OUR OBLIGATIONS TO ALLEVIATE POVERTY?

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Abstract

Before the Industrial Revolution, almost everyone, excluding the ruling class, was poor. Today approximately 43% of the world's population lives on less than $2 per day, i.e. in poverty. The standard view is that because poverty negatively affects the poor's ability to lead a 'normal' flourishing life, the wealthy, therefore, have an obligation to alleviate this poverty. I reject this view. Analysis of the nature of poverty reveals that only the poor themselves can truly overcome their poverty by changing their economic belief systems. It is these systems which keep them poor. Repeating the same historically ineffective economic actions does not lead to changed outcomes. Prescriptions, aid and charity have not helped. Viewing the poor as fully-capable, autonomous human beings (Kantian ends-in-themselves), I argue that our obligations are not grounded on human rights, equality, fairness or justice. Rather our moral obligations are to support the appropriate plans of the poor.

Declaration

I declare that this research report is my own unaided work. It is submitted for the degree of Master of Arts, Applied Ethics for Professionals, in the University of Witwatersrand, Johannesburg. It has not been submitted before for any other degree or examination in any other university.



Richard Grenville Child

9th day of January, 2015.

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1. Introduction

In this introduction I shall summarize some salient background facts on the poor, state my understanding of the received answer to the question of my title, propose my alternative answer for which I shall be arguing, discuss the scope of this report and give a brief account of some of the considerations involved.

At present some 1.2 billion people live on less than $1 per day, conventionally known as absolute poverty, and a further 1.6 billion live on less than $2 per day. These are the World Bank's standard measures of, and statistics on, poverty.[1] These 2.8 billion people represent approximately 43% of the world's population and they earned some 1.2% of the world's $47 trillion income in 2006. The ratio between the top and bottom quintiles of world earnings has increased from 3 in 1820 to 74 in 1997,[2] thus the poor are getting relatively poorer (but not necessarily absolutely poorer) and, because the world's population growth has been mainly in poor countries, larger in number. This trend is set to continue.[3] On the other hand, the World Bank states that 580 million people have risen above poverty in East Asia since 1981 leaving only 12% of their population in absolute poverty compared to Africa's fairly static 44% in that condition.[4] So escape from poverty is certainly possible. A recent analysis by former World Bank Director of Research, Paul Collier, shows that relative to income, the world's population is more accurately divided

[1] Thomas Pogge, *World Poverty and Human Rights* (Cambridge: Polity Press, 2002), p. 2.
[2] *Ibid*., p. 100.
[3] Mike Davis, in an interview in *Socialist Worker*, 24 June 2006, quotes the UN that 1 billion now live in slums and that this number will double in 15-20 years.
[4] http://www.worldbank.org/data

into three groups: approximately one billion developed, five billion developing and the bottom billion not making any economic progress, of whom 700 million are in Africa out of a total African population of some 900 million.[5]

Unchosen poverty is morally deplorable. Besides the obvious inability of poor people to provide adequately for their own material and social needs they are also vulnerable to exploitation, abuse and premature death.[6] But even worse, in a sense, is their inability to live a fulfilled human life because all their focus is on survival; in Thomas Pogge's terminology, poverty affects human flourishing. I do not consider those who voluntarily choose a life of poverty as we understand it - e.g. for spiritual reasons, or those who choose a lifestyle which we would categorize as "poor", e.g. that of rural subsistence - as poverty-stricken.

There are two broadly discernible categories of the poverty-stricken: those who are poor relative to the average in their society and those who are absolutely poor, i.e. they barely have enough to eat on a daily basis. The abject poor, i.e. those who are basically dying from the lack of food and water, generally fall into the "hunger/famine" classification, which, as discussed below, is a special case and not my main focus.

While poverty has, throughout history, been the natural or standard condition for the majority of people, the sustained creation of widespread wealth, which only started approximately 200 years ago,[7·8] has led many to believe that poverty can now be

[5] Paul Collier, *The Bottom Billion* (Oxford: Oxford University Press, 2007), p. 7.
[6] Pogge, *op.cit.*, p. 2.
[7] Jeffrey Sachs, *The End of Poverty* (New York: Penguin Press, 2005), p. 28.

eradicated. Given this optimism, what are our obligations towards the poor and what are these obligations based on?

I shall confine myself to obligations arising from obdurate, endemic poverty, not temporary, localized incidences of lack. The conventional understanding of our obligation with respect to poverty, grounded on human rights, fairness, equality, or justice, is typically summarized as *"We have an obligation to alleviate poverty, regardless of the cause, by providing for the basic rights of the poor."* I consider this wrong ethically, economically and analytically. Ethically, because I believe obligations in pursuit of rights, fairness, equality and justice are misplaced as achievement of *these* ends does not necessarily result in alleviation of poverty or in capability to become non-poor. Economically, because the conventional view is based on an incorrect, unsubstantiated understanding of poverty, i.e. it is based on the presupposition that poverty responds to external economic inputs. Analytically, because further and more recent analysis, for example by Amartya Sen, Thomas Pogge and a later work of Henry Shue's, indicates that poverty is more complex than was initially, but still popularly, thought.

Rather, notwithstanding our moral intuitions, I shall try to show that poverty alleviation primarily requires fundamental changes in the *actions of the poor*, both individuals and societies. Hence I shall instead argue, from a systematic analysis of the conventional approach, through various stages, for the final proposition: *"Mindful of the self-regard of the poor and from our understanding of poverty, we have an obligation to support the appropriate plans of the poor which will enable them to do whatever is effective, in*

[8]Amartya Sen, *Identity and Violence* (New York, N.Y.: Norton, 2006), p. 131.

proven economic terms, in order to alleviate their poverty, regardless of the reasons for this poverty. This support is conditional on the poor requesting it and, in my opinion, being capable of using it as proposed. They must be held accountable to the extent of its granting. Conversely, our trading practices, both domestically and internationally, should meet the highest standards of equity and honesty."

Ethically, my belief is that our obligations are grounded on regarding the poor as fully-capable, fellow human beings (Kantian ends-in-themselves) who are in need of assistance, which we are able to provide, to meet *their* chosen goals. I do not share the belief that our obligations are grounded on human rights, equality, fairness or justice as, I argue below, these are all arbitrary and subjective. We, the non-poor, have achieved our position of non-poverty from the cumulative progression of those before us. Because the still-poor have no similar history, we, acknowledging our dependence on others, have an obligation, in turn, to assist the poor to create this foundation. In brief, in an adaptation of the principle of *Ubuntu: We are the people that we are, being primarily shaped by the people who went before us, but we are not locked into this paradigm.*

I exclude in this essay lengthy discussion on episodic poverty arising from *unforeseen* events beyond human control, e.g. natural disasters like floods or tsunamis. I consider it given that we have an obligation to restore these people to their *status quo ante* because they *are* helpless in the face of an uncontrollable event, not merely because we have the means to alleviate their condition. This temporary poverty is fundamentally dissimilar to obdurate, endemic poverty arising from entirely different causes.

I also exclude our obligation to those suffering from hunger/famine as hunger/famine has proved to be a special case and, surprisingly, is generally *not* attributable to poverty. Many of the early commentators (Peter Singer, Henry Shue, Onora O'Neill, Henry Aiken, Hugh La Follette, Garrett Hardin, etc.) focus on hunger as the worst human condition, paradigmatically Singer's "Famine, Affluence and Morality,"[9] because most of these writers feel we have an obligation to help poor people to not die (from hunger, treatable disease, etc.). They believe that this hunger/famine is primarily caused by poverty, e.g. O'Neill's statement: "Famine and destitution are the ugliest and most dramatic faces of poverty…"[10] But more recent analysis of these assertions, particularly Sen's findings on the political cause of famine,[11] for which he received a Nobel prize, has shifted the focus from hunger onto poverty itself because hunger/famine is almost always, absent natural disasters, associated with malign political intervention - there is enough food but the poor are prevented from gaining access to it. Forceful political intervention, which is extremely reluctantly undertaken, is required to resolve this form of abuse/murder.

Finally, I shall briefly discuss one of the linkages between justice, injustice and poverty and the resulting effects on our obligations. There are two main considerations under injustice. Firstly: economic or social injustice, which includes distributive justice – the

[9] Peter Singer, "Famine, Affluence and Morality." In George Sher, ed., *Moral Philosophy* (Belmont, CA: Wadsworth, 2001), pp. 694 – 704.
[10] Onora O'Neill, *Faces of Hunger* (London: Allen & Unwin, 1986), p. 11.
[11] Sen asserts "that no famine has ever taken place in the history of the world in a functioning democracy – be it economically rich or relatively poor." Amartya Sen, *Development as Freedom* (Oxford: Oxford University Press, 2001), p. 16.

concerns about the (increasingly) unequal patterns of holdings highlighted on p.1; and unjust economic dealings between rich and poor countries which some, like Pogge, feel not only perpetuate inequality but cause it in the first place. Secondly: philosophic injustice, variously interpreted as fairness by Rawls in his *Theory of Justice*[12] and his *Justice as Fairness*;[13] as a concern by Cullity not to treat oneself in an unfairly preferential way;[14] or by O'Neill, in *Faces of Hunger*, who finds a Kantian view on injustice, i.e. perfect duties of non-coercion and non-deception, and imperfect duties of respect and the provision of various forms of help, particularly germane to fighting poverty.[15] This Kantian view, as articulated by O'Neill, comes closest to my understanding of our obligations surrounding poverty. I shall restrict my remarks to the unjust dealings between countries as it is most pertinent to this report.

The conventional understanding of poverty alleviation contains presuppositions which have contributed to the failure of poverty eradication but are not generally analyzed in the literature. Let me therefore give a brief account of each of the aspects forming the title of this report, highlighting these presuppositions which will be explicated herein.

"Our" is conventionally taken to mean either "rich individuals and rich governments",[16] who are in some position to help the poor, or "those who spend absolutely large amounts

[12] John Rawls, *A Theory of Justice*, revised ed., (Cambridge, MA: Harvard University Press, 1999).
[13] Rawls, *Justice as Fairness* (Cambridge, MA: Harvard University Press, 2001).
[14] Garret Cullity, "International Aid and the Scope for Kindness," *Ethics*, Vol. 105, No. 1 (Oct., 1994): 99-127, p. 109.
[15] O'Neill, *op.cit.*, p. 139.
[16] Nigel Dower, "World Hunger," in Hugh LaFollette, ed., *Practical Ethics* (Oxford: Oxford University Press), pp. 643-669, p. 662.

in the satisfaction of mere preferences".[17] Many consider it immoral to spend the product of one's labour frivolously both in the face of so much inequality and in the belief that our giving to the poor would be effective in helping the poor. Those holding these convictions both assume that we have a responsibility to help the poor (and therefore we should not spend all our money on ourselves), and fail to consider that the cause of poverty is relevant to poverty eradication and to our obligations. Nor, moreover, as mentioned above, is it relevant to them that virtually everyone was poor two centuries ago and that the non-poor generally created their wealth without exploiting others or by relying on foreign aid.[18] Pogge's objection to this view of wealth creation will be analyzed in the final section. With the exception of John Kekes and Jan Narveson, no one appears to consider that the poor also have obligations, i.e. that they too are responsible agents. I do not restrict "our" to rich people and rich governments but include all agents who have any dealings with the poor and thus can influence them.

"Obligations" reflect a normative moral conception, often universalist and egalitarian, which arises from a particular philosophical framework. Thus a deontologist believes she has a duty to help others worse off than she is; a consequentialist attributes moral value to helping someone poorer than himself, regardless of the cause of the poverty (though O'Neill believes consequentialist reasoning needs to be linked to empirical and causal knowledge for it to be effective);[19] a utilitarian believes she has a duty to create the greatest happiness by redistributing wealth from the wealthy to the poor so that all have

[17] Henry Shue, *Basic Rights*, 2nd. ed., (Princeton, N.J.: Princeton University Press., 1996), p. 119.
[18] The notion that the wealthy became wealthy largely by exploiting the poor, while having some credence for a limited number of people particularly in the past, is not sustainable more broadly now - even on simple arithmetic applied to the figures in the introduction, never mind on an economic analysis.
[19] O'Neill, *op.cit.*, p.72.

enough; and a Kantian might believe she has an imperfect duty to help the needy because this treats the poor as ends-in-themselves, not merely as means or objects. These conceptual frameworks have found widespread expression as a value system in documents such as constitutions and United Nations' Declarations. This system of values, generally manifesting as rights, has an applied practical consequence, i.e. it creates actual duties to others, and hence moves beyond the purely theoretical. The implication of this formulation is that those who buy into these value systems believe, firstly, that they know better than those who do not (yet) ascribe to these value systems and, in our particular focus of poverty, believe, secondly, that the wealthy therefore have an obligation to change the circumstances of the poor, regardless of why the poor are poor or what the poor actually want. These values are not necessarily as universalizable in practice as is generally assumed, because various choices, beliefs and practices may override or trump this framework. I shall argue that these choices, etc., contribute to the poverty which is endemic particularly to Africa and Asia.[20] I am, of course, mindful of objections of cultural relativism. I shall argue that the correct understanding of our obligations is that they are those actions which are effective, empirically, in dealing with poverty itself.

[20] In terms of income the world can be divided into discrete regions. Source: 'The World in 2007', *The Economist*, December 2006.

	Average 2006 GDP/capita US$
North America, Northern Europe, Japan, Australia	40 000+
Southern Europe	30 000
Asian 'Tigers' (Hong Kong, Singapore, Taiwan, South Korea)	25 000
Eastern Europe	10 000
South America	7 000
Middle East (Saudi Arabia 14 000)	1-14 000
Asia	<500-2 000
Africa (South Africa, Equatorial Guinea and Mauritius >5 000)	<500-6 000

"Alleviate." Apart from Jeffrey Sachs' calling for *The End to Poverty*, the usual phrasing of the objective regarding poverty is for some sense of reduction, improvement or alleviation in the levels of world-wide poverty. If we are seriously intent on permanently decreasing or removing the poverty of many, as for example envisioned in the UN's Millennium Development Goals, then the approach should, I believe, be reductive. That is, we should analyze the concept of poverty into more basic concepts. We need to develop a proper analytical understanding of poverty and correspondingly wealth creation, which I do later, rather than develop non-reductive solutions which, based on intuition or sense-perception, assert obligations to remedy certain deprivations, e.g. hunger or rights, but which in fact address only the symptoms of poverty. I consider this a Band-Aid approach – the hunger waxes and wanes and our obligations never end - because poverty, *qua* poverty, is not actually addressed.

In *Faces of Hunger* and *Bounds of Justice,* O'Neill addresses this issue when she examines the idea of Practical Reasoning which she finds useful in the "contexts of action."[21] The requirements of Practical Reasoning are that it be critical of received, idealized views of agency, that it be accessible to all agents and agencies, and that it be action-guiding, relying on "ethical principles which have considerable – not necessarily algorithmic – power to resolve dilemmas".[22] This practicality is refreshing and useful.

[21] Onora O'Neill, *Bounds of Justice* (Cambridge, U.K.; Cambridge University Press, 2000), p. 11.
[22] O'Neill, *Faces of Hunger*, p. 49.

"Poverty," and more specifically "absolute poverty,"[23] is regarded by those who consider themselves not poor to be an abhorrent state. The poor are considered to comprise an amorphous group who are helpless. This view is reinforced by the media's portrayal of starving upturned faces. The relevant faces are those who happen to be subject to extreme deprivation at that time. The poor are in fact individuals, almost always non-Western, who are part of myriad different communities which have always been poor for a variety of reasons. The "wealthy" want the "poor" to be like them, at least to some extent. But this presupposes that poverty is objectively bad. An objective measure of poverty is straightforward, e.g. an income of *x* p.a., access to education, water, etc. But few consider a subjective assessment of poverty. Do the poor consider themselves poor? The troglodytes of Tunisia and the Masai of southern Kenya, whom I have personal knowledge of, do not have the accoutrements of the West yet do not consider themselves deprived and resist changes to their traditional lifestyle. Other poor people desperately flee to Europe or the USA, which superficially have an attractive lifestyle. But this non-poor lifestyle comes at some considerable cost which many might not want to pay, even though they profess to desire it. Should the aim not rather be to give the poor the opportunity to exercise their own choice? Sen, throughout *Inequality Reexamined*,[24] and O'Neill, in chapter 2 of *Bounds of Justice,* consider the implications of (and capability of exercising) choice and preferences, and agency and autonomy. These are independently substantial concepts and will not be thoroughly examined in this essay, other than to be touched on where relevant.

[23] While the World Bank defines absolute poverty as having an income of less than a US dollar per day, adjusted for parity of purchasing power, Sen also regards it more broadly as capability deprivation.
[24] Amartya Sen, *Inequality Reexamined* (Cambridge, MA: Harvard University Press, 1995).

My understanding of poverty is informed by Pogge's poverty objective modified by the insertion of the italicized *herself*: "we should aim for a [world] economic order under which each participant would be able to meet her basic social and economic needs *herself*."[25] This objective has three important features: firstly, it, correctly in my opinion, places the perception of poverty on the particular person herself, i.e. she decides whether her basic needs have been met or not; secondly, we aim for a world economic order which allows each agent autonomous choice, implying that we, the "wealthy", have not caused, directly or indirectly her poverty (Pogge's main concern); and thirdly, poverty is clearly understood to be the state of affairs wherein the agent is unable to provide for her needs *herself.* That is, the provision of her needs by an external party does not relieve her poverty. Such external provision merely changes her state to one of dependence which is still a form of poverty, the poverty of capability to provide for her material needs, herself.

[25] Pogge, *op.cit.,* p. 176.

2. Obligation

In this section I derive **Proposition 1: We have an obligation to alleviate poverty, regardless of the cause of this poverty, by providing for the basic rights of the poor** from the conventional understanding of our obligations. This proposition will be systematically analyzed and appropriately modified. An examination of the nature of an obligatory act reveals considerable difficulties in knowing actually what our duties are. I suggest various refinements which progressively lead in this section to **Proposition 3: Mindful of the self-regard of the poor, we have an obligation to understand poverty to enable us to act effectively in order to alleviate poverty, regardless of the cause of this poverty, by providing for the basic rights of the poor.**

Obligations, in the sense envisaged here, are moral imperatives imposed by a rational, normative philosophy. We are not considering obedience or fealty to a religious code, to a state's laws nor to any other societal structure. Thus the overriding *raison d'être* for any obligation (to alleviate poverty) has to be that these obligations arise from a rationally derived belief in the moral correctness of a particular state of affairs. In this essay we are considering the state of affairs relevant to peoples' material well-being or lack of it. For the moment let us grant that, regardless of the cause, the state of absolute poverty is morally unacceptable and therefore we have an obligation to remedy this state of affairs. Some of the standard reasons given for the belief that poverty is immoral are: poverty deprives people of their basic rights, resulting in degrading inequality;[26] poverty prevents human flourishing;[27] poverty causes capability deprivation;[28] poverty interferes with the

[26] Pogge, *op.cit.,* p. 119.
[27] *Ibid*., pp. 27-31.

relationship between two moral actors if one is seriously disadvantaged materially;[29] and poverty denies the fruition of the ideal state which is egalitarianism.[30,31]

These reasons for the immorality of poverty thus provide the standard rational basis for our alleged moral obligation to alleviate poverty; and generally are expressed in four forms:

(1) A rights-based approach essentially averring that everyone has a right to certain things which will ensure that he or she does not live in a state of absolute poverty;
(2) An egalitarian approach asserting that all people have equal moral worth and that they therefore should not experience conditions which deprive them of a life of moral equality. Generally, as argued by Pogge, this approach most practically translates into a rights-based approach.[32]
(3) An appeal to equity often expressed as: it seems unfair or morally arbitrary that the accident of birth,[33] or other unchosen circumstances (Sen calls them "antecedent diversities")[34] should predetermine one's probable life-outcomes; thus we are called to redress this inequality by again asserting the rights of the poor.

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[28] Sen, *Development as Freedom*, p. 87.
[29] Darrel Moellendorf, "Equal Respect and Global Egalitarianism", *Social Theory and Practice*, 32 (4):601-616 (2006), p. 601.
[30] Rawls, *Justice as Fairness*, p. 130.
[31] Singer, *op.cit.*, p. 703.
[32] Pogge, *op.cit.*, p. 176.
[33] This is quaintly paraphrased by Joseph Stiglitz as a sperm lottery and by Bill Gates as the lottery of the womb.
[34] Amartya Sen, *Inequality Reexamined* (Cambridge, MA: Harvard University Press, 1995), p. 143.

(4) Social justice regards the co-existence of absolute poverty and unseemly wealth as immoral. The wealthy are required to share their riches with the poor because it is the morally correct thing to do. "Sharing" is a fairly blunt, all-encompassing tool. Piggybacking on human rights provides a sharper, more palatable, corrective mechanism.

It is easy to see why the proposal of (economic) egalitarianism, to some extent and in a variety of forms, is often made the mechanism to achieve equality, fairness, distributive justice and poverty eradication. Thus Rawls proposes, in his difference principle, that: "the higher expectations of those better situated are justified if and only if they work as part of a scheme which improves the expectations of the least advantaged members of a society",[35] which he revises and strengthens in his later book, *Justice as Fairness,* to: "social and economic inequalities are to…be to the greatest benefit of the least-advantaged members of society."[36] Similarly, but less strongly, Shue suggests: "The [weak egalitarian] principle means only that inequalities that are incompatible with self-respect – that are humiliating – are impermissible. Inequality is not prohibited by the principal but limited."[37]

The acceptance of this moral framework of obligation to alleviate poverty, however, is not necessarily the acceptance of egalitarianism. It is more correctly, in my opinion, the acceptance of the obligation to alleviate poverty, *whatever* that entails, not simplistic

[35] Rawls, *A Theory of Justice* , p. 65.
[36] Rawls, *Justice as Fairness,* p. 43.
[37] Shue, *op.cit.*, p. 120.

acquiescence to substantial economic redistribution[38] which might have consequences other than those desired, e.g. corruption, burgeoning donor bureaucracy, distortion and inefficient application of resources, resentment by donor taxpayers, etc. The thrust of implementing our obligations should thus move from a purely normative, theoretical position to an applied, functional, evaluative one – guided by the constraints of O'Neill's Practical Reasoning.

The received view, summarized from above, provides us with a starting point:

Proposition 1: We have an obligation to alleviate poverty, regardless of the cause of this poverty, by providing for the basic rights of the poor.

From this proposition, the immoral physical condition, poverty, under which one set of people live, has, regardless of cause, created a moral and therefore also, if necessary, an economic obligation on another set of people who are not living in absolute poverty.

Given this open-ended moral duty and economic liability let us then firstly examine what an obligation to someone entails, both generally and specifically in relation to poverty alleviation, and how this examination then affects Proposition 1.

Most importantly, for whom am I performing any obligatory act? Obligation towards others has both self-regarding and other-regarding components. Morally, I am obliged to

[38]As requested by South Africa's President Thabo Mbeki at the UN's General Assembly in September 2007.

act correctly in whatever I do as, including and especially when this will impact another moral being. I need to believe, rather than "know," because one can never be sure that I have behaved ethically both regarding myself and towards the other party; and I would like the assurance that the other party also believes that I have acted morally, both to myself and to them. This is the ideal form of an act as it is morally neutral; neither side assumes moral superiority. But this moral neutrality is surely a delusion in the instance of poverty as the poor are constantly aware of their lower social status and of their economic inferiority and hence the in-built imbalance in any obligation-based transaction. Rawls specifically identifies this as a reason why inequality is wrong in itself: "Significant political and economic inequalities are often associated with inequalities of social status that encourage those of lower status to be viewed both by themselves and others as inferior."[39] The poor are not insensitive to the nature of the act, i.e. they are recipients of something that they were incapable of producing themselves. The statement of Proposition 1 does not assist us as it formally structures the relationship as between an active obligor and a passive obligee. This reinforces the poor's sense of self-regarding inferiority rather than achieving the objective of restoring moral equality. This perception of inequality needs to be considered in any act of obligation. If it is not, the motivation behind the act becomes self-regarding by the obligor and forfeits any moral content, even if the act is nobly intended to assist the obligee. In Kantian terms, we should be careful to treat the poor as ends not means.

How do we assess whether an act is morally correct? Simple acts between two agents theoretically present no problems, e.g. I tell you the truth about a certain matter, assuming

[39] Rawls, *Justice as Fairness*, p. 131.

the truth is reasonably ascertainable; or I keep my promise to you to perform a certain act, where both parties have a clear understanding of what is promised. Both agents would agree that the acts are morally correct. It is, however, immediately apparent that almost every act with a moral dimension could be subject to perception from both sides. Even the simplest of acts, such as passing the salt at table, is subject to moral scrutiny. Was the salt passed promptly, reluctantly, graciously, or even efficiently? Is it necessary for both parties to agree on the ethical correctness of an act or is it sufficient for me to believe that I have acted morally or that I had the right moral intention? The understanding of the moral correctness of an act is further complicated when there are multiple agents with multiple perceptions on either side of the act. It is ideal that both parties agree on the morality of an act, but this agreement is not a necessary condition as an act can be demonstrably correct notwithstanding one party's dislike of the act, e.g. donating food to the starving opposition-supporters in Zimbabwe to the annoyance of President Mugabe. Thus there needs to be a means of judging the morality of an act *independent* of the perceptions of the agents. I propose that the *effectiveness* of the act should be the criterion of the morality of an act (perhaps only in this specific instance of poverty alleviation) as this is the rationale for the act being undertaken in the first place. Shue concurs: "… it cannot be a requirement to perform costly actions that are predictably of no benefit."[40] (If the act is undertaken for a reason other than to satisfy one's obligation, e.g. to fulfill an ideological goal, that is a separate discussion and not germane to this discussion.) Of course, the instrumental term "effectiveness" is also subject to appropriate understanding; this is discussed in section 4: Poverty.

[40] Shue, *op.cit.*, p. 212.

Therefore Proposition 1 should be modified in two ways as follows:

Proposition 2: ***Mindful of the self-regard of the poor,*** **we have an obligation** ***to act effectively*** **in order to alleviate poverty, regardless of the cause of this poverty, by providing for basic rights of the poor.**

What does this more refined obligation mean in practice to the obligor relative to poverty alleviation?

Firstly, who falls under this obligation to alleviate poverty? Anyone who is able to be effective? Only those who accede to the particular normative philosophy in terms of which it is believed that we have an obligation? Everyone - as this could be regarded as a Kantian maxim which should be universalized? Everyone - as this is the converse of the proposition that everyone has basic human rights and with every right there is an accompanying, corresponding obligation? Shue believes this duty falls broadly on those, "the affluent", who are able to satisfy preferences beyond subsistence; moreover, the performance of the duty to provide subsistence ought to be a legal obligation.[41] My belief is that this obligation falls on all those who are in a position to do something effective to reduce poverty. While this net of obligation is very broad, as will be spelt out more fully as the analysis proceeds, I do not believe that the duty is such that it has to consume our lives, i.e. that every act has to be seen through the prism of whether it helps alleviate poverty.

[41] *Ibid.*, pp. 117-119.

Secondly, the nature of the act is germane to obligation. What are we required to do to alleviate poverty? Is it adequate to give from my current resources, or am I obliged to do something directly to alleviate poverty, as in physically help build a school in Karachi? Should I act indirectly by, say, campaigning for Oxfam? Is it not relevant, in an Adam Smithian invisible hand analysis, that I am more productive to society in my chosen profession than in performing acts for which I have no particular competence or training, merely in order to meet someone's approval as being morally acceptable in terms of satisfying an obligation? Alternatively, do I accept that the state, representing me, applies some of my tax money in a way those in power think best? Most commentators, acknowledging brute practicality, restrict their focus to material redistribution, thus narrowing our obligation to a purely monetary one, on the assumption that the provision of money alleviates poverty without questioning whether this actually achieves the objective.

Thirdly, the extent of the act is also relevant to obligation. How much are we required to do? The continuum runs from the morally lukewarm, doing the minimum, through that of the legal persona, the reasonable man, doing what is societally acceptable, to that of the zealot or supererogationist who is consumed by his obligation. Both Pogge[42] and Singer[43] express moral outrage at the paucity of commitment from the West to the issues of poverty and hunger. Kekes, however, condemns Singer's assertion that it is immoral to be affluent while people are starving as rampant moralism.[44] The logical answer, *in the*

[42] Pogge, *op.cit.,* p. 3.
[43] Singer, *op.cit.,* p. 695.
[44] John Kekes, "On the Supposed Obligation to Relieve Famine," *Philosophy*, Vol. 77 (2002): 503-517, p. 504.

context of the received view of poverty, but not in my opinion, is obviously that the affluent should redistribute from their resources till there is no longer any poverty. This assumes that there are adequate resources. Shue[45] and Pogge[46] assert that there are. Arithmetically, providing $2 a day to uplift the 1 200 million currently existing on less than a dollar a day, i.e. taking them to an "acceptable" level of poverty, would require slightly in excess of a trillion dollars per annum, assuming a 20% (say) cost of distribution. This equates to roughly 2.5% of the world's GDP which was approximately $47 trillion in 2006 according to the World Bank. Thus Shue and Pogge are hypothetically correct; a redistribution of 2,5% of total world income can surely not be regarded as onerous. But I believe this arithmetic exercise is beguiling in its deception. The first difficulty is extracting some 10% (or more if poorer countries are excluded) of the tax base or budget of every country on earth, assuming an average total tax rate of 25%.[47] (It would be an impossible administrative task to collect these funds from individuals.) With the exception of a few Scandinavian countries, none of the other countries even meets the UN's current target of 0.7% of GDP for aid donations. The second difficulty would be the fair distribution of these funds. Who would distribute, through which channels, how would corruption be avoided, etc.? The third difficulty would be the obvious, microeconomic consequences of such a massive *ongoing* redistribution. We would either be taking 10% out of every government funded activity or we would increase everybody's tax payment by 10%, both of which have an

[45] Shue, *op.cit.*, p. 123.
[46] Pogge, *op.cit.*, p. 2.
[47] For information, South Africa's total tax rate is rising above 25%, meaning that South Africa would have to donate at least 10% of its tax income. Again, the implications on governmental, corporate and private spending are obvious. Government spending is unlikely to be reduced by 10% so all taxpayers would have to pay at least some additional taxation. An increase of up to 10% in taxation is not trifling.

economically depressing multiplier effect, similar to raising interest rates substantially. Perhaps Shue and Pogge are not right after all, though Shue[48] and Singer[49] dismiss this economic consequence objection. The fourth difficulty is that there is no doubt that there would be conditions applied to these funds, both because of their size and for reasons of good stewardship. This conditionality, implying a measure of distrust or a lack of economic skill, is despised by recipient nations precisely because it violates the first point discussed above under "obligation", namely the self-regard of the poor.

I reject this redistributive approach which is based on the simple, intuitive premise that money/aid is effective in reducing poverty. This premise has remained unproven, as the sustained poverty in particular regions, indicated in the introduction, notwithstanding massive aid (described in the next section), shows.

The complexity of the obligatory act is a further factor. Acts relevant to poverty range from simple, singular events, such as not-killing,[50] through more complex, ongoing actions, such as giving, which requires a series of decision criteria covering all the normative factors discussed above relative to obligation (i.e. manner, who, what, quantum, etc.), besides the practical aspects of the choice of recipient, mode of transfer, effectiveness of distribution, etc. Are we required to show lifelong commitment to performing right actions till alleviation is achieved? How much responsibility are we expected to assume, especially if we have no effective authority to influence the

[48] Shue, *op.cit.*, p. 11.
[49] Singer, *op.cit.*, p. 703.
[50] Singer considers that the accessory act of refusing to help a particular starving person is equivalent to killing. Quoted by Kekes, *op.cit.*, p. 505.

outcomes of the various obligatory acts, i.e. what is our response if it appears that our input is being inappropriately used or not achieving the desired goals?

Allied to complexity is the question of understanding the issues involved in poverty. Is it adequate simply to give food to one's neighbourhood beggar, knowing, upon a moment's reflection, that while this act might assuage one's conscience, it really has not alleviated his poverty? The food has satisfied his current hunger but tomorrow he will be hungry again *and still poor*. This aid, therefore, is actually ineffective. We have not done anything whatsoever to alleviate his poverty and we should not fool ourselves that small, well-meaning acts are anything other than simple acts of kindness. The usual response to this is: I cannot be responsible for his life but he has a real need now which I can meet. This is a Band-Aid approach because it doesn't deal with causation. Herein lies the nub. Assuming we haven't caused, directly or indirectly, this beggar to be in this situation, we cannot be held responsible for his predicament, at least not in any primary sense. Given an environment in which he has the opportunity to make choices, he, not we, can take the necessary actions to change his circumstances. This argument is explicated later in section 4. Are we not therefore required to assist in creating this suitable environment? Does obligation thus not require one to develop a more profound understanding of poverty in order to inform one of one's real duties in order to be effective? Sen, in *Development as Freedom*, thinks it does: "The instrumental connections [of capability improvement and an expansion of productivities and earning power] cannot replace the need for a basic understanding of the natures and characteristics of poverty."[51]

[51] Sen, *Development as Freedom*, p. 92.

The consequences of the obligatory act also need consideration. Consequences are not necessarily synonymous with intention. For the act to be the relevant type of act, i.e. an effective act which fulfils the requirements of the obligation, the consequences have to be appropriate. In order to try to constrain the consequences to that which one intended, one has to add qualifiers even to the simplest of acts, e.g. one should not kill *knowingly or deliberately*. Notwithstanding the qualification, accidents still occur – people are killed regularly; more obscurely, one might not consider all the consequences of a particular act, for example, the long-term effects on the earth's population of using coal-fired electricity to provide power to type essays, etc. How much more difficult to understand and predict the consequences of complex actions, such as measures to alleviate poverty. These qualifiers are not morally trivial because it is by now apparent that there are possibly no simple acts, and that every act has uncertain future impacts. It is incumbent on the actor to evaluate these consequences, as surely an act can only be regarded as moral if it has an appropriate moral consequence, in this case the actual and permanent alleviation of poverty. The mere performance of a well-intended act does not of itself make the act morally correct.

Thus in summary, obligations, at least as far as our topic is concerned, require appropriate acts, which include the acts of withholding or not doing, to satisfy the objective of effective poverty alleviation. Having briefly looked at at least some of the criteria involved in an obligatory act, it is apparent that establishing the appropriate act is anything but straight-forward. The obligation in itself does not lead to the appropriate act. In fact, the correct actions appear to be dauntingly difficult to establish, perhaps in part

because the conventional analysis has not analyzed the causes of poverty, concentrating instead on the symptoms of poverty, the lack of food, shelter, medical care, etc. The *standard recommendation* is therefore that we treat the symptoms, which are encapsulated in Shue's basic rights, to which we now move, and hope that focusing on them will provide the direction presently missing as to how to direct our duties of poverty alleviation, i.e. why does meeting the basic rights of the poor not result in making effective obligatory acts?

The above discussion has, however, resulted in the further modification of our proposition:

Proposition 3: Mindful of the self-regard of the poor, we have an obligation *to understand poverty to enable us* to act effectively in order to alleviate poverty, regardless of the cause of this poverty, by providing for the basic rights of the poor.

3. Basic Rights

In this section I endeavour to show that providing for the basic rights of the poor does *not* in fact help alleviate their poverty and thus this clause should be struck from our proposition. As this essay is primarily concerned about poverty and not about rights I shall not analyze the theoretical difficulties associated with rights, such as perfect and imperfect obligations to provide for the rights of others, beneficence, manifesto rights, etc., but confine myself to a discussion on the provision of basic rights as a means to poverty alleviation.

Shue, in *Basic Rights*, provides a succinct analysis of the rights of the poor, denoting the rights to security and subsistence as basic rights. He believes that the rights to clean air, clean water, food, shelter, clothing and basic/essential healthcare (but not to elementary/basic education) are constituents of the basic human right to subsistence because each is essential to a normal healthy life.[52] This right to subsistence thus provides the rational basis for a justified demand for social guarantees against standard threats,[53] i.e. all should be able to enjoy the substance of this basic right but it does not mean that all should be provided with protection from any imaginable threat.[54] The basic right to security, i.e. not to be murdered, raped or tortured, etc., is beyond the scope of this essay but it is obviously inter-related as the lack of security fundamentally deprives one of the ability to provide for oneself. The substance of basic rights is, therefore, the expectation of, or the opportunity to lead, a normal healthy life, i.e. a life free from the effects of poverty.

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[52] Shue, *op.cit.*, p. 29.
[53] *Ibid*., p.13.
[54] *Ibid*., p.33.

Shue asserts that every basic right has three correlative duties. For the right to subsistence these are:

I. Duties not to eliminate a person's only available means of subsistence---duties to *avoid* depriving.

II. Duties to protect people against deprivation of the only available means of subsistence by other people---duties to *protect* from deprivation.

III. Duties to provide for the subsistence of those unable to provide for their own ---duties to *aid* the deprived.[55]

The first and second duties are uncontroversial, except perhaps for special circumstances, e.g. in times of war. These duties are, however, very different duties to the third. The first two deal with security issues which could prevent people from continuing to provide for themselves, i.e. they are already doing so, thus they are not in fact poor. These obligations are not strictly relevant to this paper. Yet much of the poverty in Africa, e.g. in Darfur, Congo, Zimbabwe, etc., is caused by violations of the basic right not to be deprived, through some form of political interference, of the ability to look after oneself. Alleviation, in this instance, surely includes the obligation to protect because if the protection is not supplied we shall inevitably be faced by the consequent poverty, and the victims of this deprivation could well end up in the hunger/famine category because of this political interference. Thus it is logical that we have an obligation to ensure that institutional protection exists for the vulnerable. It is, moreover, a quantifiable duty (i.e. the removal of the political interference) unlike the duty to give as discussed in section 2

[55] *Ibid.*, p. 53.

above. This is, however, an enormously difficult obligation to fulfill in practice as it often impinges on sovereignty---frequently the violators of these duties are co-citizens, or even the governors, of the violated. Relief thus obligates external intervention, which has proven anything but easy to motivate, let alone undertake successfully. Consider the examples of the United Nations' track record in Africa (e.g. the UN's inability to intervene either in Rwanda prior to the known threat of genocide or in the atrocities in Darfur), and the foray into Iraq by the United States. Notwithstanding this history, Paul Collier, in *The Bottom Billion: Why the Poorest Countries are Failing and What Can Be Done About It*, nevertheless still recommends military intervention to expel an aggressor, to restore order, to maintain post-conflict peace, and to prevent coups.[56] I briefly consider these obligations to intervene in a failed / failing state in section 5 below.

I reject Shue's assumption, inherent in his third duty, that the provision of subsistence to meet basic rights leads to the desired "normal healthy life" (from the above exposition). What it could do, if competently applied, is alleviate the symptoms of poverty, temporarily. This subsistence has not provided the "unable" (Shue's word) with the means or the ability to become *able* to provide for themselves; in Sen's terminology quoted above, it has not provided the "instrumental connections" (of capability improvement and an expansion of productivities and earning power).[57] Different things are needed to form these instrumental connections. Having food, shelter, etc. does not necessarily lead to the path of independent provision. This issue is handled in section 4 below.

[56] Collier, *op.cit.*, p. 48.
[57] Sen, *Development as Freedom*, p.92.

In terms of our assumed obligation, which I granted at the start of section 2, to meet the rights of the unable a distinction first needs to be drawn between those who have been recently impoverished by a disaster, i.e. the episodically poor, and those who have always been poor, sometimes called (incorrectly, in my opinion) the "endemically" poor. The provision of aid is certainly an obligation for the special set of people which were *not* in dire straits till an (unplanned) event pushed them into poverty by depriving them of their normal source of income, e.g. those afflicted by a tsunami or a hurricane. This aid provides temporary relief, allowing these people the opportunity to regenerate their income-producing capability. We have an obligation to assist in this regard because some uncontrollable event has occurred which has changed the circumstances of these formerly self-sufficient people and because we are in a position to remedy this adverse change. Further, this obligation is (broadly) defined as to need, extent and duration. This form of obligation is not what I am addressing in this essay as the recipients are not (necessarily) fundamentally poor.

The obligation, on the other hand, to provide aid to *poverty-stricken* people afflicted by some disaster conflates two issues. The issue of their pre-existing poverty is distinct from the occurrence of the disaster which merely serves as a catalyst to address the issue of their poverty. We are surely obligated, for the same reasons as in the previous paragraph, to provide temporary relief for the worst of their problems, e.g. the complete lack of food following a flood, but we cannot deceive ourselves that we have alleviated their poverty by the provision of this aid. There are two separable and distinct obligations here. The

first is to provide standard emergency relief aid, which is not under dispute or discussion here, *provided* that this condition is not recurrent due to unwillingness to implement feasible remedial action. If people do not take appropriate preventive action but instead appeal to others to pay the cost of their inaction, then I contend that we have no moral responsibility to continue to assist them, because to continue to assist them in these circumstances is in fact to treat them as helpless inferiors from whom we expect no better. This is demeaning and arrogant. Instead we should hold them accountable as equal actors. The second obligation is to alleviate the underlying core poverty which is our primary concern. This separation of the two obligations is the distinction that Singer, in "Famine, Affluence and Morality," does not make in his call for "massive aid" for the people of East Bengal suffering from "[c]onstant poverty, a cyclone, and a civil war…"[58] His primary concern is to stop people dying from lack of food, shelter and medical care, to satisfy, in effect, Shue's basic rights. As discussed above, I agree that we have a *one-time* obligation to provide this aid to the extent that the need is occasioned by an uncontrollable event. To Singer and other consequentialists the cause of the lack is not relevant, as the moral value is located in the lives saved and in the prevention of very bad things happening. He does, however, allude (as shown in the quote above) to a range of causes leading to this lack and by extension to the preventable bad things. Generalizing, in the calculus of consequentialism/utilitarianism, does one include the value of the same life saved from hunger/poverty every year; because it will need to be saved each year as the underlying cause has not been addressed? Should one not deduct from this (moral) value the (financial) cost of the ongoing liability to continue saving that life? How does one equate moral value with financial cost? This is what Singer, in the quoted article, and

[58] Singer, *op.cit.*, p. 694.

others elsewhere, struggles to formulate by drawing parallels between the costs of saving lives and expenditure on (seemingly) frivolous items. Herein lies, I think, the fundamental flaw in prescribing Band-Aid solutions, i.e. temporary, symptom-addressing solutions, to complex, systemic problems. To attempt to equilibrate the two, morality and cash, is inappropriate because there are different types of issue at stake here. To adopt this equating approach takes one straight back to the unsatisfactory debates of wealth redistribution/minimum incomes and their attendant problems discussed in the previous section. One has to deal with the distinct issues of episodic needs and systemic poverty distinctly.

We move now to the general obligation to meet the basic rights of those in absolute poverty. Even granting the provision of aid as a basic right, this aid, however, does not, as stated previously, alleviate the absolute poverty; all it does is mask the poverty and simultaneously create dependence on its provision because having adequate food and shelter does not automatically result in the ability to provide for oneself in the future, which, I presume, has to be the real objective. Nevertheless, believing the assertion of Proposition 1 that we shall have met our obligation to alleviate poverty by providing for the basic rights of the poor, various actors have done some or all of the following: given money (e.g. $2,3 trillion in formal foreign aid),[59] time, loans, and advice; established institutions like the World Bank, the WTO, the IMF, and various agencies of the UN; built schools, roads, harbours and houses; partnered governments in 5 year plans and developmental projects; held massive concerts, telethons and fundraisers; made the relief of African poverty the focus of the G8 countries; written off billions of debt; called for

[59] William Easterly, *The White Man's Burden* (New York: Penguin Press, 2006), p. 165.

even more debt to be written off on the grounds of immoral lending; written academic papers establishing everyone's moral obligation to alleviate poverty; written numerous reports on poverty in newspapers and magazines to reach as wide an audience as possible; established trust funds of public and private money, etc. All of these things have been done in the belief that this financial and moral support will be effective in relieving poverty.

From the statistics in the introduction it is a fair conclusion that very little has been achieved by these and other actions; they have largely been ineffective. *But* it is also a fair conclusion that there has been a sincere, substantial attempt since the 1940s by a very wide range of people to meet Proposition 1's obligation.[60] Surely the need for a different approach, one which tries to address the systemic issues, is apparent?[61] There has been very little deeper analysis of poverty, i.e. very little effort to move beyond Proposition 1, to find sustainable solutions to eradicate poverty permanently.

In summary, there are thus three reasons why I reject the assertion that we have obligations to provide for the basic rights of the poor on the grounds that this will alleviate their poverty: firstly, as shown above, this strategy is theoretically weak as it treats only the symptoms and not the real, unexplored, reasons underlying poverty;

[60] *Ibid.*, p. 199.
[61] The obvious objection to trying a different solution is that we have not done enough in the first place; perhaps if more were done we would reach a tipping point where poverty would start being reversed. This would, however, make our obligation, which is already open-ended and indeterminable, even more so, yet without any persuasive assurance of success. My response to this objection is, as has been stated previously, that one has to address the core reasons for poverty and not the symptoms. This is done in the latter part of this paper.

secondly, as discussed above, it has proven ineffective in practice and both Singer[62] and Shue[63] agree that if an action is ineffective we are under no obligation to perform it; and thirdly, (accepting that I cannot develop a substantial *a posteriori* economic argument here), most historic economic progress, and therefore poverty eradication, has been independent of attention to basic rights as serious attention to human rights has been a relatively recent development. The most recent large-scale example of poverty eradication, as quoted from the World Bank in the introduction, is the current Asian success story where there certainly has been little attention paid to basic rights.[64] Thus I believe that we need to revise Proposition 3, *by deleting the clause requiring the provision of basic rights*, as it is not core to poverty alleviation:

Proposition 4: Mindful of the self-regard of the poor, we have an obligation to understand poverty to enable us to do whatever is effective in order to alleviate poverty, regardless of the cause of this poverty.

[62] Singer, quoted in Kekes, *op.cit.*, p. 514.
[63] Shue, *op.cit.*, p. 212.
[64] Interestingly, Shue, in the second edition of his book, *Basic Rights*, accepts that poverty alleviation requires us to consider other factors in addition to the provision of basic rights. (*Ibid*., pp. 161-179.)

4. Poverty, causes and solutions

In this section I develop a rational theory of the reasons for the existence of poverty: why some have remained poverty-stricken and others have created wealth. I show that central to wealth creation is the choice of an appropriate economic belief system. This objective understanding of poverty, rather than a normative projection of what should be, leads to further modifications to the proposition describing our obligations. These modifications focus on supporting the plans of the poor as they implement changes to their ways of life.

The fundamental cause of poverty is that the work that poor people do adds insufficient value; the poor do the wrong things to create wealth. Their actions bring inadequate reward to provide an acceptable standard of living. The economic systems of their community, and of that particular country, and indeed of the world, do not "value" the output of the poor. Note that no-one is saying that the poor are lazy or not trying to provide for themselves.[65] They are just doing the "wrong" things in their daily work. Very often this work is in subsistence agriculture, and when either this work ceases to sustain them or an opportunity arises to find (ostensibly) more rewarding work, the poor move to squatter camps in cities where they again have inapplicable skills to flourish in an urban environment and the cycle of poverty continues.

The reason that the poor do unrewarding work compared to the wealthy is originally historical. Jared Diamond in *Guns, Germs and Steel*[66] plausibly explains why writing, and hence higher education, trade, development, etc., started in serendipitously resourced,

[65] Obviously there are lay-abouts in any society. They are not relevant to this discussion. Their poverty could well be considered condign.
[66] Jared Diamond, *Guns, Germs and Steel* (London; Vintage, 1998).

East-West oriented Eurasia rather than the differently resourced, North-South lying continents of America and Africa. These reasons no longer provide a knock-down excuse for poverty to flourish as knowledge, trade and capital are now available everywhere.

The reason that people and countries still remain locked in poverty is because the (economically) "unrewarding" work that they do reflects the economic belief system that they espouse, and it patently does not work. An economic belief system is the set of values which shapes the actors' approach to *material* prosperity. These values would include the priority and attitude to education and technology, the significance attached to money, the roles of the family and of women, the importance attached to social institutions and personal responsibility, the perceived functions of government, and views on inheritance, property rights, etc. Many distinct belief systems exist.[67] Should they want to be non-indigent, poor people, communities and countries have to adopt a different economic belief system, yet one which suits their particular identities, their social culture and institutions, and their capabilities. There are many paths to (self-defined) prosperity, not only free-market capitalism and democracy as suggested by Francis Fukuyama in *The End of History and the Last Man*,[68] but it does help if the path is one which is based on empirically-proven economic fundamentals. For example, Sen

[67] For example, Christine Qunta, a black lawyer and board member of the South African Broadcasting Corporation, writing on the related value of media freedom in South Africa, asserts: "Despite denial, there is what one can broadly describe as a black perspective. It differs from that of the dominant white perspective on key issues that affect our past, present and future. Affirmative action, institutional and personal racism, the performance of government, culture and society and foreign policy issues, such as the crisis in Zimbabwe, are examples." (*The Star*, 10/10/2007, p. 12.)

[68] Francis Fukuyama, *The End of History and the Last Man* (London: Penguin, 1992).

states that state ownership of agricultural and industrial assets just does not work efficiently.[69]

Even more important than a general economic *policy* change at state level, discussed in the following paragraph, is the core change required by the poor people themselves. They have to move away from their current, economically dysfunctional societal belief system to a new positive belief that everyone can earn at least enough not to be poor, i.e. a belief in the possibility of personal prosperity. The substantial focus of the society has to be on creating wealth, rather than on survival, subsistence or some ideology. While this essentially neoliberal viewpoint might sound radical and/or unpalatable to some cultures and to some individuals, if this *choice* is not made there will not be the commitment to a completely new, and foreign, life-orientation which is required to generate more economic product. The nature of mankind is rather to stay in, or lapse back into, its comfort zone. It is not a given that all people are willing to make the changes required to become less poor. Even within a wealthy society, where there are greater and easier opportunities for wealth creation than in a poor one, there are many who choose to remain poor because the cost required to become better off, in terms of effort or risk, is too high. Often a visionary leader is required, at state level, to effect the necessary and difficult changes to a belief system, as in the recent cases of Deng Xiaoping in mainland China or Lee Kuan Yew in Singapore. Moreover, this type of leader is frequently authoritarian and might not share our moral convictions concerning, say, freedom, fairness and equality.

[69] Sen in a colloquium at the University of the Witwatersrand, 20 April 2007.

For completeness, I provide a very brief look at the underlying (macro) economics. Following the failure of communism and socialism to achieve poverty alleviation through redistribution, it is now accepted that higher national income (i.e. economic growth) is a brute, arithmetic prerequisite for poverty alleviation – the poor need an income. This income can come *only* from two sources: external, such as aid, donations, loans, etc., and internal, from greater domestic output. Assured, long-term, sustainable and increasing income requires self-generated economic growth. The best way, empirically, for this economic product to benefit the poor is for the general population of a country, not just an elite few, to be involved in higher value-adding activities. This requires broad industrialization.[70] Industrialization is both a necessary and a sufficient condition, whereas the usual recommendations of literacy, education, public health, human rights, etc., though desirable, are surprisingly not necessary and certainly not sufficient. For example, illiterate people can be trained to be good factory operatives,[71] public health was discontinued in China in 1979 and it is not a right in the USA even today, and human rights are not strongly observed in parts of Asia. Widely distributed wealth is directly correlated to industrialization, as in the West. This is the strategy East Asia is successfully adopting,[72] with the results as quoted in the introduction. Non-industrialization accompanied by reliance on resource wealth does not provide broadly

[70] This not being the place for an economics essay, I mean industrialization to include not only factories but also financial institutions, telecommunications, transport infrastructure, access to raw material, etc. I use 'industrialization' rather than 'development' because it is very easy for development to mean 'narrow development of some resources or sectors' which leaves a significant proportion of the population behind, as in the UAE (Dubai) or South Africa.

[71] On a personal note, the best welders in my engineering company are illiterate and earn up to R15 000pm.

[72] Sen lists their "helpful policies" as: "openness to competition, the use of international markets, a high level of literacy and school education, successful land reforms and public provision of incentives for investment, exporting and industrialization." See *Development as Freedom*, p. 150.

shared benefits; rather, it results in skewed per capita income allocations,[73] e.g. in the Middle East, Angola, Nigeria, Botswana, etc. Centralized, command economies have proven not to work. The strategy, very successfully adopted by Japan and South Korea, of becoming a government-led "development state" requires a highly skilled and dedicated civil service, a prerequisite seldom found in very poor countries. There is also serious doubt that this strategy would still work in the ultra-competitive globalised economy characterized by rapid movements of risk-averse capital.[74] Macroeconomics is a mature science; the world is unlikely, suddenly to adopt radically new ideas.

What are the implications for our obligations of the above understanding of poverty? The answer is simply to do what is effective. Possibly a helpful analogy could be the treatment of debilitating, life-threatening diseases, e.g. polio, smallpox or AIDS. We have duties both to cure these diseases and to prevent their re-occurrence, and in order to fulfill these duties we have cascading obligations to understand their causes, propose solutions, prove that these solutions are effective, universalize these solutions, implement them everywhere these diseases exist and, finally, put in place measures to prevent their re-occurrence. The first two diseases have in fact responded to this process, with smallpox being permanently eradicated (assuming no malevolence in the future with regard to the remaining laboratory samples) and polio being close to eradication except where the preventative measures have deliberately not been applied, for irrational reasons, in parts of Africa and India. AIDS is interesting in that, while its pathology is understood (though there are dissenters) and there are both palliative treatments and clearly understood

[73] This is technically called a high Gini coefficient.
[74] For example, the Ford Motor Company moved the assembly, and accompanying investment, of their new 'Focus' range from South Africa to Australia because of delays in planning by the SA government.

mechanisms for prevention of future occurrence, it continues to kill many people prematurely and it continues to infect growing numbers - but only in certain parts of the world. The parallel of these diseases to poverty is striking. Poverty has almost disappeared in many parts of the world (except for isolated cases where the reasons for its existence can be established). In other places people are dealing very successfully with it, but in other, very specific environments, mainly South Asia and Africa,[75] poverty still flourishes.

Based on the demonstrated failure of external intervention and the imperative of economic growth, the only people who can *fundamentally* alleviate poverty are the people of the poor countries themselves, not us (the so-called "affluent" individuals), not the governments of wealthy nations, not the United Nations, not NGOs, etc. This seemingly harsh proposition is supported by left-of-centre Nobel laureate and former World Bank chief economist Joseph Stiglitz: "The rest of the world cannot solve the problems of the developing world. They will have to do that for themselves."[76] It is also accepted by another former World Bank economist, right-of-centre, William Easterly: "Aid won't make poverty history... Only the self-reliant efforts of poor people and poor societies themselves can end poverty, borrowing ideas and institutions from the West when it suits them to do so."[77] And, at least to some extent, it is recognized by Shue, in the second edition of *Basic Rights*, where he acknowledges the necessity of empowering the victim, this being the most effective means of ensuring change: "The very first wave

[75] Sen, *Development as Freedom*, p. 99.
[76] Joseph E. Stiglitz, *Making Globalization Work* (London, U.K.: Allen Lane, 2006), p. 59.
[77] Easterly, *op.cit.*, p. 382.

of action normally should be the responsibility or initiative on the part of the right-bearer himself or herself."[78]

The reason why these economists are saying this, in contrast to the received "moral" view outlined in section 2 above, is that they are starting to adopt a pragmatic approach to poverty. So are donor countries. "The fall in aid [from 2005 to 2006] is a terrible indictment of the world's richest countries, these promises [of additional aid] are a matter of life and death for the world's poorest" - is the anguished cry of Oxfam.[79] The standard prescriptions for poverty alleviation just have not worked and those who most need to evaluate the efficacy of these prescriptions, because of prudential and fiduciary considerations, i.e. donors and funders, have realized this.

Notwithstanding the above experience, the call remains for basic rights, for aid, for well-meaning but, in my opinion, misguided emphases. For example, in publicity prior to Sen's visit to the University of the Witwatersrand we read that, "Sen stresses over and over in his writings the crucial importance of basic education and healthcare as the foundation stones of prosperity."[80] While this oversimplifies Sen's approach to poverty, these perceptions of the causes and solutions to the problem of poverty highlight the scarcity of fundamental thought that has been applied to the issue. Sen, in fact states:

> …poverty must be seen as the deprivation of basic capabilities rather than merely as lowness of incomes, which is the standard criterion of identification of poverty.

[78] Shue, , *op.cit.*, p. 21.
[79] Max Lawson, *Sunday Times*, 8 April 2007, p. 14.
[80] "Business Times" in *Sunday Times*, 15 April 2007, p. 9.

> The perspective of capability-poverty does not involve any denial of the sensible view that low income is clearly one of the major causes of poverty, since lack of income can be a principal reason for a person's capability deprivation.[81]

Sen is obviously correct in the first sentence and in the last clause quoted above; but low income is not a cause of poverty. Low income and poverty are both descriptive terms of a state of affairs of *inadequate* means. Sen never (publicly) analyzes what the brute cause of poverty, low income and capability deprivation is: why some and not others.

Though Pogge does:

> The root cause of their [the global poor's] suffering is their abysmal social starting position which does not give them much of a chance to become anything but poor, vulnerable, and dependent – unable to give their children a better start than they had themselves.

And later on the same page:

> The worse-off are not merely poor and often starving, but are *being* impoverished and starved under our shared institutional arrangements, which inescapably shape their lives. (His emphasis.)
>
> …we must ascribe this misery to the existing global order and therefore ultimately to ourselves.[82]

[81] Sen, *Development as Freedom*, p. 87.
[82] Pogge, *op.cit.*, p. 201.

Yet millions are reshaping their lives, so Pogge is at least partly wrong. I analyze Pogge's argument in section 6.

Our real obligations follow clearly from the above. Remember that we are now only dealing with the problem of the long-term poor and not the victims of short-term disasters, which we have already addressed. Our obligations are clearly thus to assist and encourage the poor, predominantly through their leaders, to become self-sufficient, in the sense of not being aid-dependent, by exercising the choices which lead to value-adding activities, i.e. to implement a successful industrialization policy and to make the more difficult mind-set change.

The wealthy agents and agencies should no longer give aid based on what *they* think is required, *a fortiori* unfettered aid. Instead they can fund, by aid, grant and debt, suitable (i.e. in line with proven economics) plans drawn up by the governments of the poor countries, *should they want assistance.* In turn these governments have to be held accountable for this assistance, just as any borrower would be to his lender. This does not violate the poor's self-regard; on the contrary, it treats the recipient as an equal by recognizing both his autonomous choice and his economic agency. Equally, Pogge is correct that the "existing global order" has to remove barriers and hindrances to the development and advancement of poor people and countries. The implementation of this latter obligation will carry a (short-term) cost to the people and institutions of more developed countries as economic forces oscillate to different equilibria. This cost is justifiable on both the grounds of equality of treatment of people, i.e. not succumbing to

narrow parochial interests, and to the utilitarian argument that it will be to the greater long-term good of all.

Similarly, the wealthy actors have to reward positive mind-set changes by supporting positive aspirations, e.g. educational, travel, entrepreneurial, etc., of the poor. The issue of the emigration of the skilled, more capable people from the poor countries to the wealthy countries, leaving the poor countries yet poorer from having borne the cost of training those emigrants yet being deprived of their skills, is left for another paper. Emigration is a complex issue as one has to consider the interests of the individual versus the interests of, and the obligations to, the land that raised and nurtured that individual.

Objections can be raised against each aspect of this analysis: the economics, the limitations on our obligations and the capability of the poor to change their destiny.

The major objection to this economic analysis is that it is reductionist or an oversimplification. To consider that the cause of poverty is "doing the wrong things" is blindingly trite - obviously if the poor were doing the right value-adding things they would not be poor; but more importantly the analysis ignores the well-researched, standardly regarded reasons for poverty: inequality of interests, favoured by Singer[83] and the World Bank; overpopulation, a view popular thirty years ago and resurrected by Singer in 1993;[84] poor governance, supported *inter alios* by Guest,[85] Davidson,[86]

[83] Singer, quoted by Kekes, *op.cit.*, pp. 504 & 508.
[84] Singer, *Practical Ethics*, p. 235. Quoted by Kekes, p. 513.
[85] Robert Guest, *The Shackled Continent* (London: Macmillan, 2004), p. 12.
[86] Basil Davidson, *The Black Man's Burden* (New York; Three Rivers Press, 1992), pp. 290-293.

Narveson[87] and Sachs;[88] geography, in that some countries are endowed with more resources[89] and better natural assets such as harbours and climatic conditions, or that land-locked countries are dependent on their neighbours;[90] and, finally, Pogge's argument that the wealthy got rich historically at the expense of the poor from a combination of slavery, exploitation and colonialism, and continue to profit from exploitation of the poor to this day. The way, therefore, to alleviate poverty is to address these issues, for example by removing inequalities between people through the provision of adequate resources for their upliftment; by doing our best to ensure proper governance through a variety of means, such as forming partnerships to improve transparency and accountability on both sides of the trading relationship;[91] by developing regional trade blocs to overcome geographical inadequacies; but most importantly by reforming the international trading regime to ensure fairness of opportunity for all.

My response to this objection is two-fold. Firstly, I shall have a brief look at some of the stated, standard reasons for poverty. Poor governance is correctly identified as a major, if not *the* major, cause of poverty but it is seldom acknowledged as a conscious *choice* of those governing, which ties in with my basic argument. Instead of having the best interest of their subjects at the centre of their policies, those governing badly pursue either selfish interests or a different type of political agenda, e.g. theological or ideological. But these leaders cannot, especially in the current information age, claim that they act in ignorance.

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[87] Jan Narveson, "Is World Poverty a Moral Problem For the Wealthy?", *The Journal of Ethics* (Netherlands; Kluwer Academic Publishers, Vol.8, 2004, pp. 397-408), p. 406.
[88] Sachs, *op.cit.*, pp. 59 & 72.
[89] Collier, *op.cit.*, pp. 38-52.
[90] *Ibid*., pp. 53-63.
[91] This was the stated aim of the Extractive Industries Transparency Initiative at its launch by British Prime Minister Tony Blair in 2002. (*The Star*, 7 December 2007, p. 18.)

A few examples: corrupt rulers are fully aware of their theft; leaders are aware of massive poverty and hunger; countries pursuing ideological goals, e.g. India, until recently, are aware of their choice; and autocratic rulers resist democratic change, usually with some form of force. Either the current leaders or the people have to change this bad choice. The other standardly regarded causes of poverty are either *outcomes* of or *excuses* for poverty but are not the brute causes of poverty. Two examples: the inequality between the poor and wealthy countries has arisen in the last few centuries because one set of people has created more wealth than another set of people – but *all* started as subsistence economies; and "overpopulation", or more correctly, a high population density, is a recent twentieth century phenomenon[92] and is not correlated to poverty. Asia, the most densely populated continent is relatively poor, Europe is next most densely populated but wealthy, while South America and Africa, which is the poorest, are both relatively scarcely populated. High population density is different to overpopulation, which would exist if the "carrying capacity" of the land were exceeded, which in turn would be manifest by widespread hunger without malign government intervention (refer to the earlier comments on famine). This type of hunger has never occurred.

It is easy to describe poverty and its effects, which is the extent of most commentators' analysis. If the corrective actions, suggested in the objection, to the standard reasons for poverty are known and available, why have the relevant actors been so singularly unsuccessful? I believe it is because, as argued above, these actions do not address the real causes and thus *cannot* be successful.

[92] The world's population has followed a geometrical growth pattern for many centuries – increasing from some 1.25 billion in 1850 to 2.5 billion in 1950 to its present 6,7+ billion. Ref. *Funk & Wagnalls Standard Reference Encyclopaedia* (Standard Reference Publishing Co., New York, 1966), p. 7184.

Secondly, contrary to the above, the empirical success of the Far East in poverty alleviation has been precisely because the leaders of these countries have understood the real needs of poor people, namely, to be able to earn enough (through growth and industrialization) to be able to provide for themselves. This has been done largely through adopting successful micro- and macroeconomic policies and throwing out failed ideologies, mostly Marxist. The individual poor people responded appropriately by accepting very low initial wages and progressively becoming more economically productive. Higher wages followed, poverty is alleviated.

The second objection is that it is morally wrong to limit our obligations by changing our obligations from a proactive to a reactive nature in the presence of so much ongoing hunger and poverty, even if poverty could be more successfully addressed in the long-run by the various suggested changes made in this paper. The mere prospect of future improvement does not extinguish our current duty to alleviate present suffering.

My response is that of Shue quoted in section 2: "…it cannot be a requirement to perform costly actions that are predictably of no benefit"[93] and of Singer, quoted in Kekes: "we have no obligation to make sacrifices that, to the best of our knowledge, have no prospect of reducing poverty in the long-run."[94] Our current actions have achieved very little in terms of poverty reduction, though we might well have had some impact on human suffering through the provision of food and improved medical treatment. But I have

[93] Shue, *op.cit.*,p. 212.
[94] Singer, *Practical Ethics*, p. 241. Quoted by Kekes, *op.cit.*, p. 514.

already stated that we still have obligations in the events of calamity, including emergency food aid. To a significant extent we are deluding ourselves if we believe that we are being effective in improving the lives of the very poor with our present programs – the introductory statistics demonstrate this as could many other examples, such as child mortality rates in Africa.[95] The objection does not address the inability to overcome suffering and poverty by standard means. Surely, if we truly believe that we have obligations to alleviate suffering and poverty we should be trying to find effective means to do so, rather than repeating ineffective actions.

The third objection is to the contention that the poor themselves are the only ones capable of affecting a long-term change to their circumstances. The economic position of any particular people or country is substantially dependent on a multitude of historical developments and to suggest that people, in effect, *choose* to continue to be poor is superficial, insulting to the poor and just plain wrong. No-one chooses to be poor. All would rather be non-poor but most do not have the opportunity to advance themselves because, for example, they know no better, as in the very rural, or have been denied decent educational opportunities, or have no access to capital or markets, e.g. because of current trade restrictions. In other words, they do not have the choice to become non-poor.

My response is that the reasons for the historical lack of economic advancement of the poor, and particularly the poor countries, are important only, in economic terms, to the

[95] The infant mortality rate in Africa is 9% and child mortality under 5 years is 15%. (Ref.:www.overpopulation.com/faq/mortality/infant-mortality/africa.html.)

extent that they continue to impact the future development of the poor people and countries. While historical events cannot be changed they do not ineluctably determine the future. The future is also influenced by present choices. We have seen that the (economic) product of any entity, be it an individual or country, is a function of the approach of all the relevant actors to the (economic) activity of that entity. Assuming a (reasonably) benign, non-intrusive environment, the agent able to have the most impact on the relevant entity is the entity itself. Assuming, again, an environment of (relatively) unrestricted information flow, the entity knows which activities lead to long-term economic progress. These activities are all the standard factors, such as hard work, education, trade, infrastructure, etc., which apply to *all* entities. The approach to or regard for these factors is determined by the entity's belief system and this belief system is a matter of, often unconscious, choice. But it does not have to remain unconscious nor is it immutable. This is where we have an obligation. We have an obligation to assist and support appropriate choices. To believe that (poor) entities are unable to make appropriate choices is to regard them as unequal. A belief in the inequality of the poor is both morally and scientifically wrong, and is unsustainable simply on the empirical grounds that so many previously poor have become and are becoming non-poor, having made appropriate choices. This process of change and of learning to create wealth is neither easy nor quick. It will take generations and it will be very tough. Part of the problem is the illusion of ease and speed created by the superficiality of the solutions proposed by many well-intentioned people, e.g. write off debt, share wealth, send food, etc. These quick-fixes are honestly intended but none of the suggestions create wealth, i.e. add value. Often (harsh) solutions which will create wealth and employment, such as

the Chinese proposal that Africa create industrialization zones where *any* entrepreneur can set up a factory, are rejected, e.g. for fear of exploitation. The poor are thus denied the choice of economic participation (or of possibly exploitative employment) by someone who presumes to know better and decides on behalf of the poor. I reject this move as it denies the poor the autonomy to make their own decisions, which includes the choice to *leave* an exploitative job; moreover this move could well be regarded as a human rights violation by unilaterally condemning the poor to unrelenting poverty. The poor are capable of making good choices if given options. We have an obligation to assist in providing options.

This analysis of the causes of poverty leads to the further, significant modification of our proposition, giving responsibility to the poor while changing our (the wealthy's) role to that of active support:

Proposition 5: Mindful of the self-regard of the poor *and from our understanding of poverty*, we have an obligation to support *the appropriate plans of the poor which will enable them* to do whatever is effective, *in proven economic terms*, in order to alleviate their poverty, regardless of the reasons for this poverty. *This support is conditional on the poor requesting it; and they will be held accountable to the extent of its granting.*

5. Are the reasons for poverty morally significant?

In this section I examine briefly whether our duties are affected by the circumstances causing the poverty. It appears that, apart from bad and intransigent governance which

can change the *nature* of our obligation to assist the poor, our duties are unaffected by the cause of poverty.

To a certain extent the background reasons for poverty have become less relevant because our obligations to alleviate poverty have been reoriented from the broad, undefined, unlimited,[96] and normative to the narrow, focused, limited and evaluative. Whereas previously our obligation was to some extent rectificatory, i.e. backward looking to set right an error with a dimension of blame, now it is remedial, i.e. forward looking to correct a condition without a basis of guilt. In other words the reason has become irrelevant but the responsibility for rectification has not.

From around the end of the Second World War the wealthy have driven the agenda and the process of poverty alleviation, for example by the creation of institutions like the World Bank and the United Nations, and the setting of targets like the UN Millennium Goals. I propose that in the future the poor have to assume that mantle, with the wealthy being solely in a supportive role. Responsibility should thus shift from the wealthy who assumed authority, to a substantial extent, for a variety of reasons, such as moral conviction, possession of the material means and a belief in their solutions. The immorality of poverty remains but responsibility now falls on the correct shoulders, those that can effect appropriate, sustainable change. The material means are no longer regarded as the primary consideration but a secondary supportive tool because of the primacy of (economic) belief systems.

[96] The SA constitution handles this problem by limiting the State's obligations with phrases such as "within its available resources…" in Clause 26(2).

The reasons for poverty are morally significant, however, in at least the case when those in charge of poor countries fail to provide adequate leadership, bad governance being a primary cause of poverty. This case is morally relevant because it has an impact on our ability to be effective. Two scenarios generally occur. The first, more common, is where the existing social and civil institutions are insufficiently capable of providing independent, alternative leadership. Based on the analysis of poverty above, even if we feel morally obligated to assist the poor, our efforts are likely to be futile as the environment, the economic belief system, and required institutions will not be receptive to change. Our obligations to provide physical aid are then limited to emergency relief, if necessary. Our obligation, however, to hold the leadership accountable and to pressure them to assume their correct role, by whatever means possible, is substantially increased, being mindful of our obligation to support the endeavours of the poor, *not the bad leaders who have probably ensured that they themselves are not poor*. This is part of Pogge's objection which is discussed in the following section.

The less common scenario is where the formally dysfunctional country has alternative leadership and independent institutions which could fulfill the role of formal authority, though this state of affairs is often politically unstable. An example would be Zimbabwe from approximately 2001 (i.e. post large-scale farm expropriation in the name of "land reform") till 2006 (i.e. when the country degenerated into tyranny) during which period democratic change was (theoretically) possible. While, to some extent, we have an obligation to support this alternative leadership, because they are the ones who *could*

bring about appropriate political and economic change in the long run, prudence would require circumspection with respect to the extent of this support because it might well be futile without a solid political base and this support would probably provoke a substantial reaction from the existing leadership. This was the case, however, in *apartheid* South Africa and the world exercised that obligation strongly. (Yet the world is reluctant to act similarly in many other instances, such as Burma.)

In other words, whenever proper governance of poor countries is absent our obligations are severely curtailed. Hard as it might appear, the peoples of the failed states have the primary responsibility to create or restore the institutions which make economic progress possible and hence provide permanent poverty alleviation. We do, however, have significant obligations to assist in this institutional building process, when requested, but not to provide unstructured and likely-to-be-wasted aid. As mentioned earlier, military intervention can be argumentatively justified in severe cases of malign governance and hence represents a theoretical obligation but it is both fraught with the practical difficulties of successful implementation and *a fortiori* it is not perceived as a real obligation by the peoples of the possible intervening countries. It is seen as one obligation too far as the (perceived) cost of the sacrificed lives of its citizens outweighs the (difficult to achieve) benefits in some distant country.

In summary, our obligations are practically curtailed, not morally, when circumstances in the poor countries are such that physical assistance would not be capable of being properly utilized (as discussed in an objection in the previous section). Our obligation to

support the plans of the poor in other ways, e.g. politically or even militarily, remains. This discussion results in only a minor adjustment to my proposition.

Proposition 6: Mindful of the self-regard of the poor and from our understanding of poverty, we have an obligation to support the appropriate plans of the poor which will enable them to do whatever is effective, in proven economic terms, in order to alleviate their poverty, regardless of the reasons for this poverty. This support is conditional on the poor requesting it *and, in our opinion, being capable of using it as proposed.* They will be held accountable to the extent of its granting.

6. Justice and Injustice

There are linkages between justice, injustice and poverty which could have resultant effects on our obligations to the poor. Justice is, however, a substantial topic which requires more space and time than is available in this report. Therefore I shall restrict myself to the aspect most pertinent to my essay, namely, economic justice between countries, i.e. (1.2) below.

In outline, I visualize two main considerations under injustice:

(1) Economic injustice, with its two subsections:

(1.1) Distributive injustice – the concerns about the (increasingly) unequal patterns of holdings highlighted on p.1, particularly internationally; and

(1.2) Unjust economic dealings between rich and poor countries - which some, like Pogge, feel not only perpetuate inequality but cause it in the first place; and

(2) Philosophic injustice - variously interpreted as: a lack of fairness, thus creating the need for the "original position" in *A Theory of Justice* and *Justice as Fairness* by Rawls, or as a concern, expressed by Cullity, not to treat oneself in an unfairly preferential way,[97] or as an articulation of a Kantian view on injustice, i.e. having perfect duties of non-coercion and non-deception, and imperfect duties of respect and the provision of various forms of help, which O'Neill, in *Faces of Hunger*, finds particularly germane to addressing the issues of poverty.[98]

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[97] Cullity, *op.cit.*, p. 109.
[98] O'Neill, *Faces of Hunger*, p. 139.

In looking at unjust economic dealings between rich and poor countries, I shall briefly consider the views of Thomas Pogge, which differ most radically from mine. I shall try to distill his two main points but I obviously concede that much more can be said. From my research, Pogge has been the most strident in blaming the wealthy, firstly, for directly causing the poor to be poor and, secondly, for dealing unjustly with poor countries. In *World Poverty and Human Rights,* Pogge fundamentally attributes the poverty in the world to the global economic order (GEO). This is one of his terms for the international economic structures, dominated by the wealthy countries, which set world trading rules, tariffs, anti-dumping duties, intellectual property standards, etc.: "The affluent countries have been using their power to shape the rules of the world economy according to their own interests and thereby have deprived the poorest populations of a fair share of global economic growth…"[99] He rejects as inadequate both the historical accounts of wealth creation by social scientists such as David Landis in *The Wealth and Poverty of Nations*[100] and Jared Diamond in *Guns, Germs and Steel*[101] and the economists' explanations that local and national factors cause poverty, which Pogge calls "explanatory nationalism": "It [explanatory nationalism] makes us look at poverty and oppression as problems whose root causes and possible solutions are domestic to the foreign countries in which they occur."[102] Moreover he states that we share responsibility for "the incompetence, corruption, and tyranny entrenched in the governments, social institutions, and cultures of many developing countries" because we "sell juntas and autocrats the weapons they need to stay in power, … have fostered a culture of corruption

[99] Pogge, *op.cit.*,p. 200.
[100] David Landes, *The Wealth and Poverty of Nations* (London: Abacus, 1999).
[101] Pogge, *op.cit.*, p.112 and endnote 169.
[102] *Ibid.*, p. 141.

by permitting our firms to bribe foreign officials and by blessing such bribes with tax deductibility."[103] Furthermore, the wealthy distort economic distribution and encourage coup attempts and civil wars by granting the rulers of the developing countries the "privilege," on behalf of their people, both to sell their raw material resources and to borrow significant amounts of money.[104]

In attributing the poverty in the world to the GEO, Pogge fails to explain how the GEO arose in the first place, i.e. why wealth was accumulated in certain countries and not in others, starting approximately 200 years ago, which enabled the wealthy to erect the "exploitative" structures. (We are dealing with economics here, not consequentialist ethics, which does not require backward justification.) Further, Pogge's GEO theory of poverty relies heavily on the developed world exploiting the needed raw materials of the poor countries as the source of its wealth. Yet the developed world had significant quantities of its own raw materials. The soon-to-be wealthy used these resources to create significant wealth prior to (parts only of) Europe colonizing vast areas of the world. Moreover, raw material constitutes but a minor fraction of the value of any product and a yet smaller component of a society's overall economy. The majority of inputs into most items are attributable to design, production capability and distribution, regardless of whether the product is a consumer item or a public good, like education. These factors constitute society's added value. Thus the wealthy's dependence for their wealth on exploiting the poor's resources is, at best, questionable. (One could go further and do a quantitative analysis of the tens of trillions of net worth of wealth/assets in the developed

[103] *Ibid*., pp. 21-22.
[104] *Ibid*., p. 22.

countries in comparison to the billions of value, not cash receipts, arising from the historical exports of the poor countries to prove that the long-term creation of wealth does not depend on cheap raw materials.)

The fundamental economic reality is that undeveloped countries have nothing to offer or sell other than raw materials and/or cheap unskilled labour. These undeveloped products can never command a high price in any trading market and so transactions involving these products have the appearance of exploitation. A better approach, I think, is whether there is any coercion or deception in the trading transaction. The fact that a buyer can visualize and subsequently realize considerably more value than the value of the initial transaction does not *in itself* constitute exploitation (or coercion or deception), rather, it is the very essence of wealth creation.

Of course Pogge is correct that the GEO's manipulative trading practices, particularly with regard to natural resources, have had severe negative consequences for many resource-rich countries. But there are problems, two economic and one ethical/political, with his assertion that these practices are the main cause of poverty. Firstly, many undeveloped countries are resource-poor and therefore have not been subject to manipulation and yet they are also still poor.[105] Pogge offers no explanation for their continued poverty, other than corruption or possible restrictions on the export of agricultural products. Yet that kind of non-resourced country, such as Lesotho or Malawi, generally does not have the infrastructure for export agriculture nor indeed the economic

[105] On the other hand, Japan is extremely resource-poor in raw materials, yet very wealthy.

capacity to generate significant external corruption. My explication of poverty provides a better explanation for their continued economic plight.

Secondly, the exploitative GEO mechanisms that Pogge lists are of relatively recent origin, from roughly the time of the Cold War. Prior to that most of the currently-poor countries of Africa and Asia were still colonized and "exploited" directly. But so were many of today's more successfully (relative to the endemically poor) developing countries, such as most of South America and other parts of Asia. Pogge does not explain this differential economic success.

The ethical/political problem is the paternalistic issue of why the trading partner, generally the buyer of exports but also the sellers, for example of arms, should be responsible for the internal domestic arrangements in (poor) countries. Do all traders have to vet all transactions for ethical correctness? By what, or whose, standards should the transactions be vetted? Does the trader have to consider all possible consequences of each deal? If this kind of responsibility and culpability were required of traders it would, I suggest, severely curtail trade (because traders and investors hate added complexity and risk) and hence the development of the very countries requiring the developmental benefits of further trade. The major problem of these poor countries is not too much trade but too little. Restrictions hinder development. Withdrawal from trade does not assist the poor. (Note that corrupt rulers always have the option of trading, in the manner which Pogge correctly criticizes, with less scrupulous partners. While we might feel self-

righteous for not trading with corrupt rulers, we certainly have not assisted the poor as the poverty in those countries would remain.)

I am, of course, assuming that any trade we do with the poor countries is along the lines discussed in sections 4 and 5 above, i.e. in terms of Proposition 6. This form of trade will have positive benefits, perhaps only in the long-run, to the poor people of these countries. This form of trade is very different to the pillaging criticized by Pogge, which is why I find it paternalistic to demand that the (wealthy external) trader be responsible for the domestic arrangements in the poor countries. The implication is that the poor people, not their leaders, are always going to be exploited by either or both their leaders or the trader, either because they are desperate or incapable of looking after their own interests. I do not believe this, especially as very many countries and people have achieved at least a measure of economic development and success. The self-interest of the trader and the development of the poor are not mutually exclusive.

There are obvious ethical consequences to these economic issues in (international) relations, particularly once a problem becomes evident. For example, Pogge cites lending to corrupt rulers as a bad practice. Of course it is, but again heavily indebted poor countries (HIPCs) are a recent phenomenon. In the first flush of liberation from colonial rulers the West flooded Africa and other areas with grants and developmental loans. Were these would-be benefactors to know then that so much would be misappropriated? I think Pogge is being harsh in hindsight. Lending practices have been accordingly altered. The ethical requirements are adequately covered in my Proposition 6 above – lend

prudently and hold the borrower accountable. Yet, dealing with Pogge's remaining accusations, we continue to maintain unbalanced trade regulations (particularly agricultural subsidies), to sell arms to poor countries and to purchase from known corrupt, misappropriating rulers, e.g. oil from Angola and Nigeria (which are, *en passant*, major oil suppliers to both the USA and China). Here Pogge is right that we have ethical obligations with respect to trading, but, unfortunately, they are not readily reducible to a code of practice, mindful of the need for practical ethical reasoning. As briefly discussed above, it is extraordinarily difficult to implement a framework of acceptable trading practices without stopping trade in its tracks. Nor, on the other hand, can one cling to the hope of eventual "trickle down" benefits to justify continued participation in a patently corrupt arrangement, even if one's behaviour is not in itself corrupt, e.g. the extraction of oil. The answer would appear to be a complex set of multilateral actions. The "trader" has to be transparent in all his dealings, declaring all payments so that full information is available to all. (This has the obvious weakness that transparency requirements might only work practically with large multinationals – small fry would not be traceable.) Bankers, etc. should not accept tainted money, nor should we accept tainted products, such as blood diamonds. Multilateral agencies, like the UN, IMF, World Bank and others, would need to hold corrupt rulers much more accountable. International sanctions, as a final resort, should be severely applied, as against *apartheid* South Africa. Pusillanimous ineffectual applications of sanctions, as currently against Mugabe in Zimbabwe, belittle the regard due to ordinary citizens, who end up bearing the major costs of both direct deprivation and foregone development.

To summarize, Pogge's explanations for the general causes of poverty are at best secondary causes in specific instances. He does, however, argue convincingly that our trading practices need a substantial ethical overhaul. I add yet another sentence to my proposition to capture the essence of this requirement:

Proposition 7: Mindful of the self-regard of the poor and from our understanding of poverty, we have an obligation to support the appropriate plans of the poor which will enable them to do whatever is effective, in proven economic terms, in order to alleviate their poverty, regardless of the reasons for this poverty. This support is conditional on the poor requesting it and, in our opinion, being capable of using it as proposed. They will be held accountable to the extent of its granting. ***Conversely, our trading practices, both domestically and internationally, should meet the highest standards of equity and honesty.***

7. Conclusion

It would be naïve to believe that world poverty can be eradicated in a short period of time. The (wealthy) West's current approach of viewing the poor as helpless and therefore in need of our largesse, whether in the form of meeting basic rights or obligation-based aid, is patronizing and empirically proven to be ineffective.

Economists have established that poverty can be overcome by economic growth and industrialization, but little work has been done to establish why certain communities and certain countries have flourished and why others have remained poor, i.e. why poverty is endemic. This report proposes that the (economic) belief system of a people fundamentally determines the resultant wealth of that people. An economic belief system is adaptable. Although a country might not have consciously chosen its belief system, which forms progressively, it does consciously choose to *not change* an ineffective system – the poor know they are poor.[106] Bluntly stated, the poor choose to remain poor, and more particularly their (generally non-poor) leaders, choose to have their countries remain poor, unless they decide to change what they do, which is where I believe our obligations lie. Our obligations are to assist and support the plans of the poor, both people and countries, as they choose to do the things which will eradicate their poverty. The focus will shift from helping arbitrary individuals who might or might not cross our paths to responding to much broader societal changes. Our interactions with the poor not only have to conform to ethical standards of justice requiring non-coercion and non-deception but we have to remove, notwithstanding the pain to ourselves, the many obstacles that we

[106] Having traveled from Cape to Cairo on public transport, Sishle Khumalo asks: "What went wrong on the African continent?" Sishle Khumalo, *Dark Continent, My Black Arse* (Cape Town: Umuzi, 2007), p. 219.

have (selfishly) placed or left unmoved which hinder the best endeavours of the poor to help themselves.

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