

Development Ethics, Globalization, and Democracy*

Globalization and democratization—and their links—are matters of intense and often bitter worldwide debate. How should globalization be understood and assessed? Is globalization a permanent change in the world order or an “over-hyped fad of 1990s,”¹ to be replaced by forces—such as terrorism and U.S. unilateralism—that tear the world apart? Is globalization good or bad? Who should say and in what terms? What should we mean by global democracy? Can and should democracy be “globalized”—imposed in authoritarian countries, resuscitated in countries in which it is under attack, and installed or deepened in global institutions? Can democracy be “imposed” or “installed” without undermining its moral foundations?

This final chapter in our study makes a case that globalization is an important worldwide change that development ethicists and others should ethically assess as well as

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understand with respect to its causes and consequences. Moreover, the chapter argues that ethically-justified globalization promotes and is promoted by the sort of robust local, national, and global democracy defended in Chapters 9 and 10. Urgently needed, increasingly argue development ethicists, is both a democratization of globalization and a globalization of (a kind of) democracy.

The present chapter draws on the conception of the nature and practice of development ethics I set forth in Chapter 2 and other chapters above and argues that such an ethics is one resource that can and should be applied to the ethical evaluation of globalization and democratization. I first discuss leading theories of globalization. Next I consider both empirical (section 2) and ethical (section 3) issues (in assessing globalization. In the final section I analyze and evaluate three strategies for “humanizing” and “democratizing” globalization.

Globalization and Development

Development ethics faces the new and pressing task of understanding and ethically evaluating “globalization” and proposing ethically appropriate institutional responses to this complex and contested phenomenon. The debate about globalization since the late 1990s reminds one of earlier controversies about development. Like the term “development” in the 1960s through the mid-1990s, “globalization” has become a cliché and buzzword that the mainstream celebrates and dissenters condemn. Moreover, like

“development” earlier, “globalization” challenges ethicists to move beyond simplistic views—such as “globalization is (exceedingly) good” or “globalization is (terribly) bad”—and to analyze leading interpretations of the nature, causes, consequences, and value of globalization. Development ethicists, committed to understanding and reducing human deprivation, will be especially concerned to assess (and defend norms for assessing) the changing global order as well as local, national, and regional development. How should we understand globalization and evaluate its impact on individual and communal well-being? Which types of globalization are *most threatening* to ethically-based development at all levels? Which kinds are *most promising*?

It is important to ask and sketch the answers to four questions about globalization:

- What is globalization?
- What are the leading interpretations of globalization? What explains globalization and how unique is it in relation to earlier forms of global interaction and integration? Does globalization result in the demise, resurgence, or transformation of state power? Does globalization eliminate, accentuate, or transform the North/South divide?
- How should (different sorts of) globalization be assessed ethically? Does globalization (or some of its variants) undermine, constrain, enable, or promote ethically defensible development?
- Can and should globalization be resisted, contested, modified, or transformed? If so, why? And, finally, how, if at all, should globalization be humanized

and democratized and what role does democracy play in this humanization?

What is Globalization?

First, what should we mean by “globalization”? Just as it is useful, prior to assessing particular normative approaches to the ends and means of development, to demarcate development generically as “beneficial social change,” so it is also helpful to have a (fairly) neutral concept of globalization. David Held, Anthony McGrew, David Goldblatt, and Jonathan Perraton have suggested an informal definition useful for this purpose: “Globalization may be thought of as the widening, deepening and speeding up of worldwide interconnectedness in all aspects of contemporary social life, from the cultural to the criminal, the financial to the spiritual.”² More rigorously, the same authors characterize globalization as:

A process (or set of processes) which embodies a transformation in the spatial organization of social relations and transactions – assessed in terms of their extensity, intensity, velocity and impact – generation of transcontinental or interregional flows and networks of activity, interaction, and the exercise of power.³

Three Interpretations of Globalization

Similar to the theories of development discussed above in Chapters 2 and 3, interpretations or theories of globalization—which all contain historical, empirical, and normative components—differ with respect to (i) the nature, number, variety, and relation of *processes* or flows, for example, tokens (money, for instance, remittances from Mexicans working in the US to their kin south of the border), physical artifacts (goods), people (immigrants, tourists), symbols, and information; (ii) *causation*: monocausal or reductive (economic or technological) approaches versus multi-causal or non-reductive approaches; (iii) *character*: inevitability versus contingency and open-endedness; (iv) consequences, for example, the impact on state sovereignty and the division of countries into North or South; and (v) *desirability* (and criteria for assessment).

Although no one generally accepted theory of globalization has emerged, at least three general interpretations or models of globalization are on offer. Following Held *et al.*, I label these approaches (i) hyperglobalism, (ii) skepticism or anti-globalism, and (iii) transformationalism.⁴

Hyperglobalism, illustrated by journalist Thomas L. Friedman⁵ and trade economist Jagdish Bhagwati,⁶ conceives of globalization as a qualitatively unique global age of economic (capitalist) integration characterized by open trade, global financial flows, “outsourcing” of work to producers in other countries, and multinational corporations. Driven by capitalism, communications, and transportation technology,

integration into one world market is increasingly eroding state power and legitimacy. The hierarchical North/South dichotomy is being rapidly—and fortunately—replaced by a “flat” global entrepreneurial order structured by a “level playing field” and new global “rules of the game,” such as those of the World Trade Organization (WTO). Although hyperglobalism concedes that there are short-term losers as well as winners, it insists that the rising global tide will eventually lift all national and individual boats—except for those who perversely resist the all-but-inevitable progress. *Newsweek* editor and hyperglobalist Fareed Zakaria, sympathetically reviewing Thomas Friedman’s best-selling book *The World is Flat*, observes:

He (Friedman) ends up, wisely, understanding that there’s no way to stop the [globalization] wave. You cannot switch off these forces except at great cost to your own economic well-being. Over the last century, those countries that tried to preserve their systems, jobs, culture or traditions by keeping the rest of the world out all stagnated. Those that opened themselves up to the world prospered.⁷

Commenting on trade economist Bhagwati, economist Richard N. Cooper exactly captures the normative dimension of hyperglobalism:

His [Bhagwati’s] main thesis is that economic globalization is an unambiguously good thing, with a few downsides that thought and effort

can mitigate. His secondary thesis is that globalization does not need to be given a ‘human face’; it already has one. . . . His conclusion: that the world, particularly its poorest regions, needs more globalization, not less.⁸

At least when development is identified with economic growth, “global integration,” as Dani Rodrik observes, “has become, for all practical purposes, a substitute for a development strategy.”⁹ According to this view, a nation’s government should focus its attention and resources on rapidly (and often painfully) removing tariffs, quotas, and other devices, especially agricultural subsidies, that block access to the globalizing world. British Prime Minister Tony Blair succinctly expresses the hyperglobalist faith:

[We] have an enormous job to do to convince the sincere and well-motivated opponents of the WTO agenda that the WTO can be, indeed is, a friend of development, and that far from impoverishing the world’s poorer countries, trade liberalization is the only sure route to the kind of economic growth needed to bring their prosperity closer to that of the major developed economies.¹⁰

Skepticism rejects hyperglobalism’s view that global economic integration is (or should be) taking place and that states are (or should be) getting weaker. Skeptics argue that regional trading blocks are (or should be) getting stronger, resurgent

fundamentalisms either insulate themselves from or clash with alien cultures, including those shaped by North American consumerism, and national governments are (or should be) getting stronger. These skeptics of hyperglobalism include Stephen Krasner,¹¹ Paul Hirst and Grahame Thompson,¹² and Samuel Huntington.¹³ In a more explicitly normative approach, Herman Daly goes beyond empirical skepticism to anti-globalism. He concedes that globalizing trends, which hyperglobalists celebrate, exist but argues that states should be “brought back in,” should resist economic openness, and should emphasize national and local wellbeing.¹⁴ Instead of extinguishing the North/South divide, skeptics and anti-globalists argue that economic integration, cross-boundary financial investment, the digital revolution, and multinational power have increased inequality between and within countries and have mired poor countries in the South in even greater poverty and autocracy. Rodrik, for example, argues:

By focusing on international integration, governments in poor nations will divert human resources, administrative capabilities, and political capital away from more urgent development priorities such as education, public health, industrial capacity, and social cohesions. This emphasis also undermines nascent democratic institutions by removing the choice of development strategy from public debate.¹⁵

Marxist skeptics contend that the hyperglobalist thesis is a myth that rich and

developed countries perpetrate to maintain and deepen their global dominance over poor countries. Countries—especially poor and transitional ones—must resist the Sirens of economic and cultural openness; instead, they should aim for national or regional sufficiency and develop themselves by their own lights. Authoritarian skeptics endorse efforts—such as those of Fidel Castro in Cuba or Hugo Chavez in Venezuela—to centralize power, pull out of free-trade pacts, reduce the presence or power of multinationals, bring top-down improvement in living standards, and weaken civil society. Liberal skeptics emphasize that national sovereignty, with its demanding duties of justice, cannot and should not be replaced by global economic or political institutions that either lack legitimacy or threaten global tyranny. Democratic skeptics promote national and local control, target health and education, and promote public deliberation about development ends and means. In sum, the variants of skepticism conceive of globalization as something inimical to genuine development.

Transformationalism, such as that which Held and his colleagues advocate, conceives of recent globalization as an historically unprecedented and powerful set of processes (with multiple causes) that is making the world more interconnected and organizationally multileveled. They argue that it is too simple to say that states are either being eroded or reinforced; it is more accurate to conclude that states are (and should be) reconstituting themselves in a world order increasingly populated by global and regional economic, political (regulatory), and cultural institutions, and by social movements.

Transformationalists insist that globalization is not one thing—and certainly not

merely economic—but many processes with diverse consequences. The new economic (trade, finance, transnational corporations), political, cultural, criminal, legal, and technological global processes proceed on multiple, sometimes inter-linked, and often uneven tracks. Rather than being inexorable and unidirectional, globalization is more or less contingent, open, and multidirectional. Rather than uniformly integrating communities, globalization results in new global and regional exclusions as well as novel inclusions, new winners and new losers. The nation state is (and should be) increasingly reconstituted in relation to regional, hemispheric, and global institutions; the old North/South dichotomy is being replaced by a trichotomy of elite/contented/marginalized that cuts across the old North/South polarity (and justifies development ethics confronting poverty wherever it exists):

North and South are increasingly becoming meaningless categories: under conditions of globalization distributional patterns of power and wealth no longer accord with a simple core and periphery division of the world, as in the early twentieth century, but reflect a new geography of power and privilege which transcends political borders and regions, reconfiguring established international and transnational hierarchies of social power and wealth.¹⁶

Just as development ethicists have stressed that national and local development —

while complex and multi-causal—is a pattern of institutionalized human activity that can and should be a matter of voluntary, humanizing, and democratic collective choice, so transformationalists emphasize that globalization can and should be civilized and democratized. Transformationalists are both less enthusiastic than hyperglobalists and less pessimistic than skeptics. Transformationalists insist that a globalizing world shows neither the uniform and unalloyed good that hyperglobalists celebrate nor the pervasive and unmitigated bad that skeptics worry about. Instead, globalization at times impedes, and at times enables, good human and communal development.

Globalization, Poverty, and Inequality: Empirical Issues.

Regardless of how globalization—its character, causes, and consequences—is understood, development ethics should evaluate it ethically. Throughout its history, development ethics has emphasized ethical assessment of the goals, institutions, and strategies of national and sub-national development and constructively proposed better alternatives. In a globalizing world, development ethics takes on the additional task of offering an ethical appraisal of the global order and suggesting more just ways of managing new and evolving global interconnectedness.

How is this evaluation to be done? There are empirical, conceptual, and normative aspects of inquiry, but, unfortunately, this diversity is often unheeded. Globalization's multiple, often uneven, and frequently changing influences on individuals and

communities require empirical investigation, while deciding which consequences are ethically significant and which are the best future options requires the application of ethical criteria and judgments about global as well as national justice.

Even empirical investigation on the effects of globalization, however, is not disconnected from conceptual and even normative considerations. Consider, for example, the oft-repeated anti-globalist claim that the effect of globalization is that “the rich are getting richer and the poor are getting poorer.” Heated debate exists about the truth of this claim and related contentions that global inequality is increasing or decreasing. World Bank economist Martin Ravallion nicely captures this debate:

On the one side, the website of a prominent nongovernmental organization (NGO) in the antiglobalization movement, the International Forum on Globalization, confidently claims ‘globalization policies have . . . increased inequality between and within nations.’ This stands in marked contrast to the claims made by those more favorable to globalization. For example, an article in the *Economist* magazine states with equal confidence that ‘globalization raises incomes, and the poor participate fully.’¹⁷

Drawing on Ravallion’s important article and recent work by Branko Milanovic, another World Bank economist, I analyze, explain, and recast this controversy in ways

relevant for the ethical assessment of globalization. Sometimes analysts disagree with respect to whether or not inequality is increasing because they employ time frames that range from a year to a millennium. Of especial relevance to the globalization debate is what has occurred on the world scene from 1980 to 2000 or the present, but longer or shorter time frames may change one's judgment with respect to increasing or decreasing inequality.

Sometimes the disputants cite different data. Some conceptions of inequality take national accounts data, Gross National Product (GNP), Gross Domestic Product (GDP) or Gross National Income (GNI) and simply divide it by the country's inhabitants. Frequently, in an effort to account for price differences and differences in purchasing power across countries, international financial organizations use "purchasing power parity." As UNDP explains it PPP is "a rate of exchange that accounts for price differences across countries, allowing international comparisons of real output and incomes."¹⁸ Instead of employing national accounts data, whether or not adjusted to purchasing power parity, researchers increasingly employ household surveys to identify individual or family actual expenditures or disposable income.

Differences between the two camps run deep and rest finally on conceptual and normative disagreements. Given my analysis of development theory-practices in Chapter 3 and of ethics as a way of seeing in Chapter 8, this diagnosis is not surprising. What we take as important facts, for instance, whether we take the country or the individual as our unit of analysis, is often a function of our concepts and ethical commitments. The facts

matter, and I shall discuss where empirical matters (from different perspectives) stand on world poverty and inequality. Concepts and value judgments, however, also matter and are often the root of differences in factual claims. Instead of fans and critics of globalization passing each other like ships in the night, it is imperative that conceptual and normative differences, as Ravallion argues, “be brought into the open and given critical scrutiny before one can take a well-considered position in this debate.”¹⁹

What conceptual and normative differences exist with respect to the controversy about the impact of globalization—understood, for the *nonce*, as economic integration—on poverty and inequality? First is the question that Sen first raised in 1979: “Inequality of what?” and “Poverty with respect to what?” In Chapters 4-6, I analyzed and defended Sen’s own answer to these questions: the best “space” for understanding and measuring both poverty and inequality is not income but agency, functionings, and capability for functioning. Global inequality and poverty may be falling with respect to one metric, such as income (\$1 or \$2 per person per day), and rising with respect to some other, such as health, education, and agency or power.²⁰ In some cases, of course, the different metrics may be moving in the same direction. UNDP, for example, reports: “In human development terms the space between countries is marked by deep and, in some cases, widening inequalities in income and life chances.”²¹ Even if two metrics are going in the same direction, however, the gap with respect to one may be proportionately greater than that with respect to another. As Erik Thorbecke remarks in his response to Ravallion’s paper, “worldwide inequality would be significantly lower if measured in terms of health

or educational status than in terms of income and might reflect more accurately the actual welfare (happiness) enjoyed by different individuals in different settings.”²² If we look at poverty defined exclusively by UNDP’s human development index (HDI), it is clear that poverty is worsening in at least 18 countries: “In 2003, 18 countries with a combined population of 460 million people registered lower scores on the human development index (HDI) than in 1990—an unprecedented reversal.”²³

Second, even if we stick with the conventional metric of income, estimates of poverty differ with respect to geographical focus, and those of inequality differ according to the specific concept of inequality employed. In relation to income poverty and using the \$1 a day figure for (extreme) poverty, from 1981 to 2001, the number of those living on \$1 a day fell from 1.5 to 1.1 billion and “the percentage of the population of the developing world living on less than \$1 day was almost halved from 40 to 21 percent.”²⁴ However, when we subtract China’s achievements in poverty reduction from this total, the number of the world’s poor has remained at 850 million over this 20 year period. If we focus exclusively on African countries, the results are significantly more discouraging.

If we employ the metric of income, is world inequality decreasing or increasing? Here answers diverge not (only) because of country or regional focus, but because analysts employ—whether unwittingly or intentionally—radically different concepts of “inequality” and “equality.” Although Ravallion began to diagnose this ambiguity, it is Branko Milanovic who has recast the inequality debate by clearly and graphically distinguishing three concepts of inequality: concept 1, concept 2, and concept 3.²⁵

In concept 1 inequality, the focus is on countries, and each country's poverty is represented by the income of that country's median person.²⁶ This concept assumes, obviously contrary to fact, that everyone in the country receives the median income and that single figure represents the country as a whole. The analogy is with the UN General Assembly in which each country has one vote regardless of its size (or the US Senate in which each state, regardless of population or geographical size, has two senators). One advantage of this concept of inequality is that it emphasizes the point that the *country* in which one is born or lives makes a huge difference in one's opportunities. Another advantage is that concept 1 inequality favors smaller states in the sense that a small country, or its inhabitants, may receive greater international attention than would an area of the same size or number of inhabitants in a large country. Trinidad and Tobago, with a population of little more than one million inhabitants, had the same right to play in the 2006 World Cup as did much larger countries such as the Brazil or the United States. No matter how good its soccer players, the Indian state of Kerala, with a population of about 40 million, could not qualify a team for the World Cup. The notable disadvantage of concept 1 (and concept 2) poverty is that the representing of all a nations inhabitants by a "median" person completely ignores differences among regions, groups, and individuals within a country. For example, a country's per capita GNP may be climbing but large groups and many individuals may be falling even further behind and more deeply into poverty.

Using concept 1, is inequality among countries growing, shrinking, or staying the same? Much depends, as mentioned above, on the time slice one chooses. According to Milanovic, the gap between the median income of the richest and poorest country has grown in the last 100 years from 10:1 to 60:1. In 1990 the average American had 38 times the income of the average Tanzanian but today the gap has grown to 61 times.²⁷ In general, since the late 1970s or early 1980s, the rich Western countries have pulled ahead of the rest of the world and, while poor countries are growing, their growth (with the exception of the Asian tigers) has been slower than that of the rich countries and, hence, they are falling even further behind.

Milanovic designates Fourth World countries as those with less than one third of the income of Greece, the poorest Western Country, and shows that the number of such countries, including most African countries, has increased threefold between 1960 and 2000. The Gini coefficient, when used to measure the concept 1 inequality between countries is 20 percent higher (more inequality) in 2000 than it was in the mid 1970s.²⁸

Given concept 1 inequality, the evidence is pretty clear that, although there are some poorer countries that have caught up with the rich countries, in general there is a reduction in the number of middle income countries and a trend toward a greater gap between the top and the bottom. Even when a poor country is growing, and some are not, their growth rate is slower than the rich countries.

It is not so easy, however, to say with confidence that globalization is *the* cause or even *one* cause of increasing inequality in the sense of concept 1. The correlation of

globalization and increasing inequality (concept 1) does not entail that the former caused the latter. Milanovic identifies many alleged causes of the widening gap: the US deficit (caused by rearmament and Reagan's tax policy, which in turn caused higher interest rates); the oil crisis of 1979, which forced poor countries to borrow but at interest rates they couldn't pay back and that resulted in deeper debt); the end of the cold war, which removed many poor countries from the radar screens of benefactor rich countries.²⁹

Although we can view some of these candidate causal factors as part of a capacious concept of globalization, Milanovic reasonably argues that in the 1980s rich country trade quotas, subsidizing of agriculture, and GATT's and WTO's expensive dispute settlement system harmed poor countries and helped rich ones.³⁰ Ravallion also comments that economic failure in particular poor countries was due less to global factors than to indigenous ones such as climate, paucity of resources, or endemic corruption. Hence, even if we accept that concept 1 inequality is increasing, we cannot without more argument blame globalization for (increasing) poverty

In Milanovic's classification, concept 2, like concept 1, uses national accounts data and represents an entire country by per capita GNP, GDP, or GNI, but unlike concept 1, weights the result by population. Concept 2 inequality, like concept 1, assumes that everyone in the country has the same, that is, median income, but adjusts the result in relation to the number of people in the country. In 2003, China, Lebanon, and Cape Verde had similar achievements in GDP per capita: China PPP US\$ 5,004; Lebanon PPP US\$ 5,074; and Cape Verde PPP US\$ 5,214.³¹ But due to China's vast population of 1.3

billion persons, compared with 3.5 million in Lebanon and .5 million in Cape Verde, an improvement in China's median income would decrease concept 2 inequality 371 times more than the same median improvement in Lebanon and 260,000 more than the same median improvement in Cape Verde. If the analogy with concept 1 equality/inequality is that of the US Senate, in which each state gets the same number of senators regardless of the states' populations, the analogy with concept 2 equality/inequality is the US House of Representatives in which the greater a state's population, the greater the number of its congresspersons.

Given concept 2 inequality, what has happened to the gap between countries in, say, the last twenty years? Ravallion and Milanovic concur that since 1980, due to the rapid economic growth of and poverty reduction in China and India, concept 2 poverty has decreased substantially.³² The Gini coefficient of countries weighted by population has decreased as much as 10 percent. Numbers of persons do matter. As Ravallion remarks, "The lack of policy reform and growth in a small country surely cannot be deemed to cancel out the policy reforms that helped generate so much economic growth in China over the last twenty years or so."³³ It is this concept of inequality that globalization and free market fans employ when they celebrate economic integration.

Three facts, however, cause one to be less than sanguine. First, if we subtract China and India from concept 2 inequality calculations, the decrease in inequality either "largely vanishes"³⁴ or is reversed.³⁵ Second, analysts increasingly doubt the reliability of China's official estimates of its high growth rates.³⁶ Finally, China's and India's

accomplishment lose their luster when one retains concept 2 inequality but disaggregates the two countries into their subunits (provinces and states, respectively). The growing interregional inequality in both countries suggests that on a country-wide basis concept 2 inequality is not decreasing and that “as more Chinese (and Indian) provinces become rich while others stay behind, world inequality will rise.”³⁷ Examining countries with respect to one representative and average person and weighting these countries for population makes the world look (in Thomas Friedman’s term) “flat” in the sense that per capita GNPs weighted for population are converging.³⁸ But if we look inside the country black box to its constituent subunits and treat these subunits as countries, converging flatness becomes more like the diverging averages as viewed from the lens of concept 1 inequality.

Why, however, should disaggregation stop with provinces and states? Ultimately development ethicists worry about the impact of globalization on individuals. *Concept 3* inequality likewise is concerned with inequality of individuals and not groups, with flesh and blood human beings and not with means, averages, or abstract persons representing thousands or millions. As I argued in Chapter 3 and as Ravallion clearly sees, the choice of the unit of analysis in development is an ethical decision. Are we finally concerned with what development does to individuals and what individuals can do with development? Or should our main focus be on counties (or sub-national communities) and average persons?

Although Milanovic recognizes that concepts 1 and 2 have some value, his work

as a whole is dedicated to proposing and improving a third concept of inequality. Just as we must look beyond national per capita income to find how much inequality exists among individuals in a particular country, so ideally to see whether global inequality is changing we would line up all individuals in the world from richest to poorest (however conceived) and investigate their changing (if any) relations. Rather than using national accounts, investigators like Milanovic employ household surveys. Rather, than taking national boundaries and group membership as ultimately important, individuals and their well-being are determinative.

From the lens of concept 3, global inequality is, to employ Milanovic's language "staggering."³⁹ Analysts and commentators make this point in different ways. Milanovic himself shows that the household surveys reveal that both the richest 5 percent of the world's individuals and the poorest 80 percent get 1/3 of the world's total PPP-valued income. The ratio of the average PPP-valued income of the richest 5 percent of individuals to the poorest 5 percent is 165:1. For those who like their statistics a bit more concrete, this ratio means, remarks Milanovic, that the richest earn the same in 48 hours as the poorest do in a whole year.⁴⁰ UNDP makes a related point:

On the (conservative) assumption that the world's 500 richest people listed by Forbes magazine have an income equivalent to no more than 5% of their assets, their income exceeds that of the poorest 416 million people.⁴¹

Is this gap changing in the last 20 years and, if so, in what direction? Here analysts disagree, although according to Milanovic these disagreements are at least partially due to differences in methodology and data sets. Xavier Sala-i-Martin and Surjit Bhalla contend that global (concept 3) inequality has declined by 3 to 4 Gini points. Yuri Dikhanov and Michael Ward, and Francois Bourguignon and Christian Morrisson argue that concept 3 inequality rose about 1 Gini point. Bob Sutcliffe finds no change, and Milanovic himself identifies zig zags with inequality rising 3 Gini points from 1988 to 1993), declining by 1 Gini point from 1993 to 1998, and rising again by 1 Gini point from 1998 to 2002.⁴²

To what extent, if any, is globalization causally responsible for these changes in concept 3 inequality? Not surprisingly, since analysts neither agree on whether or not there is change in these matters and—if there is—what direction it takes, they are unlikely to agree on causation in general and the role of globalization in particular. And among the reasons for differing views on the impact of globalization on inequality is that the impact in fact may differ depending on such things as (i) whether people within a nation are rich or poor; (ii) whether a nation as a whole is poor or rich, big or little, densely or sparsely populated; and (iii) a nation's past history.⁴³

It is reasonably clear, however, that there is one way in which globalization—as economic openness and rapid communication across national boundaries—affects individual happiness and capability poverty even if concept 3 inequality remains unchanged. Poor persons in poor (or rich) countries become aware, through travel, television, movies, or newspapers, of the contrast between their deprivation and others'

affluence. Further, they frequently view their lot in life—their being left out—as undeserved and unfair. Such awareness is likely to cause unhappiness, frustration, and even anger with the result that the person’s well-being is lowered.⁴⁴ Moreover, such loss of well-being also is not unusual on the part of a person that “falls behind” when she receives the same percentage or proportionate pay increase as those with higher salaries but one that increases the absolute gap between herself and those others.⁴⁵

This debate over whether or not global inequality is growing is an important one, and development ethicists can contribute to its resolution by assessing different ways of counting the poor and conceiving of inequality. Yet, as Sen powerfully and correctly asserts, we also must not lose sight of the big picture—the “massive levels of inequality and poverty”:

This debate [over whether the rich are getting richer and the poor getting poorer] does not have to be settled as a precondition for getting on with the central issue. The basic concerns relate to the massive levels of inequality and poverty—not whether they are also increasing at the margin. Even if the patrons of the contemporary economic order were right in claiming that the poor in general had moved a little ahead (this is, in fact, by no means uniformly so), the compelling need to pay immediate and overwhelming attention to appalling poverty and staggering inequalities in the world would not disappear.⁴⁶

Ethical Assessment of Globalization

In the last section we saw that analysts may have very different concepts of poverty and inequality and that even when they agree they may evaluate the same data in different ways. In employing one method rather than another, analysts assume certain values. Or if we focus on results, we can say, using a phrase from Charles Taylor, that different methodologies “secrete”⁴⁷ different values. Most basically, those for and against globalization do “not share the same values about what constitutes a just distribution of the gains from globalization.”⁴⁸ In a passage worth quoting in its entirety, economist Ravallion challenges economists and policy analysts to make their values explicit, subject them to rational scrutiny, and engage in ethical analysis and argument:

The empirical facts in contention do not stem solely from objective data on incomes, prices, and so on but also depend on value judgments made in measurement—judgments one may or may not accept. It can hardly be surprising that different people hold different normative views about inequality. And it is well understood in economics that those views affect how one defines and measures inequality—although it is ethics, not economics, that determines what trade-offs one accepts between the welfare of different people. A class of ‘ethical measures’ of inequality is built on this realization. What is more notable in the present context is that

important differences on values have become embedded in the methodological details underlying statements about what is happening to inequality in the world. These differences are rarely brought to the surface and argued out properly in this debate.⁴⁹

Ravallion's point is noteworthy, because many economists and policy analysts seek to divorce economics from ethics and back away from engaging in ethical critique and argument with respect to what justice requires. For example, the authors of the World Bank's *World Development Report 2006* break new ground when they argue that "equity considerations need to be brought squarely into the center of both diagnosis and policy" since "equity is central both to the investment environment and to the agenda of empowerment, working through the impact on institutions and specific policy designs."⁵⁰ Just when we think, however, that the Bank will go further, engage in moral argument, and make proposals for how analysts, policy-makers, and citizens should understand national and global justice, it pulls back and makes equity either exclusively a matter of personal opinion or a causal factor in bringing about growth and reducing poverty: "Some may value equity for its own sake, others primarily for its instrumental role in reducing absolute poverty, the World Bank's mission."⁵¹ In spite of its recognition of the importance of "equity" understood as "equal opportunity," "avoidance of absolute deprivation," and "fair processes," it retreats behind the Bank's traditional "nonpolitical" conception of its role: "It is neither the mandate nor the comparative advantage of the

World Bank to engage in advice on issues of political design.”⁵² Moreover, although the *World Development Report* argues for equity and fairness as means to “long term prosperity,” it refrains from taking a stand with respect to whether those are right who “prefer fairness”⁵³ or “see equal opportunities and fair processes as matters of social justice and thus as an intrinsic part of the objective of development.”⁵⁴

Absent from much of the *World Development Report 2006* and even more so from conventional investigations into globalization are precisely the efforts to clarify and defend criteria to identify whether and in what ways globalization is good or bad for human beings, enhances or limits valuable freedoms, protects or constrains democracy, respects or violates human rights, fairly or unfairly distributes benefits and burdens within and between nations. It is not enough to inquire *if, how, or why* globalization affects human choice and institutional distribution. One must also have a reasoned normative view of what counts as beneficial and deleterious consequences, and how the concept of justice should be understood or decided.⁵⁵ Otherwise we will know what globalization is, how it came about, and what its future career is likely to be, but will have no basis for deciding whether to embrace or fight it—in whole or in part.

The most promising approach to such explicitly normative dimensions of development ethics is, I believe, the “agent-oriented” capability perspective that I have explained, defended, and applied throughout this book. Applying a conception of the human as agent and of human well-being as a plurality of capabilities and functionings that humans have good reason to value, the capability development ethicist can inquire

into the effects different kinds of globalization have on *everyone's* agency and capability for living lives that are—among other things—long, healthy, secure, socially engaged, and politically participatory. Because agency and these valuable capabilities (or functionings) are the basis for human rights, social justice, and both individual and collective duties, a development ethic will also examine how a globalized world is a help or a hindrance as individuals and institutions fulfill their moral obligations to respect rights. The long-term goal of good and just development—whether national or global—must be to secure an adequate level of agency and morally basic capabilities for everyone in the world—regardless of nationality, ethnicity, religion, age, gender, or sexual preference.

Some kinds of globalization—for instance, such global phenomena as money laundering, illegal drug distribution, weapons smuggling, sex tourism, trade in human organs and endangered species, forced migrations, epidemics, and HIV/AIDS⁵⁶—are bad and there is a duty to resist them. Other kinds of global interconnectedness are good and should be promoted. These include commercial linkages that result in more affordable food, medicine, and travel, fuller exchange of ideas (internet). Good globalization also includes the global dispersion of democratic norms, and the ideal of global citizenship. Most kinds of globalization, such as open trade, financial liberalization, foreign direct investments, outsourcing of work, migration, labor mobility, development of international law, and multinationals, are a mixed blessing. For example, reduction of trade barriers may increase commercial opportunities for some producers and decrease them for others.

What international legal theorist Kim Lane Scheppele calls “the first wave of public law globalization” of emphasized international human rights and universal jurisdiction and had a progressive impact on national constitutions. A second wave globalizes an “international security law,” promotes constitutional changes in favor of national security state, and both strengthens executive power and attenuates civil liberties.⁵⁷ The extent to which these sorts of globalization either undermine and reduce or, alternatively, enhance, secure, or restore agency, human capabilities, and justice will depend on context and especially on a reform of global institutions and how national politics integrate and shape global forces.

The agency-focused capability approach judges both hyperglobalism and skepticism as empirically one-sided and normatively deficient. Nation-states are neither obsolete entities of the past nor possess a monopoly on global agency. A globalizing world weakens some states and strengthens others, and all states find themselves interconnected in various ways. Our approach challenges global institutions as well as national and sub-national communities to protect, promote, and restore human capabilities, among them the capabilities for political participation. Our approach also challenges both territorial and non-territorial political communities in two related ways. First, territorial political communities and transnational agencies—such as the EU, UN, WTO, World Bank, Amnesty International, International Commission of Human Rights, Human Rights Watch, and International Criminal Court—are responsible for setting policies that improve—rather than reduce—the chances of all persons to live decent lives.

Second, these overlapping political communities, for reasons I advanced in Chapters 9 and 10, should themselves be “civilized and democratized.”⁵⁸ These communities must be venues in which people exercise their agency and have substantive freedoms, including some kind of effective political participation, such as democratic deliberation. They should also be imaginatively restructured so as to achieve greater democratic accountability. As Held and his associates put it:

National boundaries have traditionally demarcated the basis on which individuals are included and excluded from participation in decisions affecting their lives; but if many socio-economic processes, and the outcomes of decisions about them, stretch beyond national frontiers, then the implications of this are serious, not only for the categories of consent and legitimacy but for all the key ideas of democracy. At issue is the nature of a political community—how should the proper boundaries of a political community be drawn in a more regional and global order? In addition, questions can be raised about the meaning of representation (who should represent whom and on what basis?) and about the proper form and scope of political participation (who should participate and in what way?)⁵⁹

As Held and his colleagues go on to insist, the new normative challenge is “how

to combine a system of territorially rooted [and, I would argue, *deepened*] democratic governance with the transnational and global organization of social and economic life.”⁶⁰ Part of this challenge is that of deciding each governance level’s responsibilities, whether unique or shared. The Spanish parliament struggles, sometimes through deliberation, to define the relative distribution of powers, rights, and duties between the central government and the 17 constituent sub-national units. Likewise, in regional organizations, such as the European Union, and the Andean Pact nations, and in global institutions, such as the WTO and the UN, national entities negotiate and deliberate about the best balance between national and super-national responsibilities.

Is this articulation and defense of a normative vision of good and just development and globalization incompatible with my emphasis throughout this volume of individuals and groups taking charge and deciding their own development ends and means? One reason the authors of *World Development Report 2006* do not take a stand on questions of equity and justice is that they believe that such judgments usurp a society’s *own* prerogative:

Whatever such tradeoffs [between components of equity as well as between equity and efficiency] exist—which is most of the time—no textbook policy prescription can be provided. Each society must decide the relative weights it ascribes to each of the principles of equity and to the efficient expansion of total production (or other aggregate). The report will

not prescribe what is equitable for any society. That is a prerogative of its members to be undertaken through decision-making processes they regard as fair.⁶¹

In this passage the *World Development Report 2006* rightly challenges societies to be self-directing agents and resists the temptation to prescribe from above and outside specific institutional designs. But the report abdicates its own responsibility to articulate a vision of the ethically justified ends, means, and responsibilities of development in a globalized world—a vision not to be uncritically, mechanically, or slavishly applied but one to be democratically debated, criticized, adapted, and improved. To take a stand on national and global justice is not to impose the moral truth from on high but to stimulate and contribute to morally-informed policy debate on local, national, and global levels. I turn now from the importance of moral assessment of globalization to three proposals for making it more humane, ethically defensible, and democratic.

Humanizing and Democratizing Globalization: Three Projects.

Development ethicists have identified three proposals or projects that respond to the normative challenges presented by globalization. If development ethics has the task of “keeping hope alive,” one way to do so is to identify best practices and promising projects for globalization with a human and democratic face.

Liberal Internationalism

One project—which, for example, the Commission on Global Governance’s *Our Global Neighbourhood* expresses—aims at incremental reform of the existing international system of sovereign nation-states, and international organizations and regimes.⁶² Popular governance takes place in nation-states in which democracy is either initiated or made more robust. In addition, argues philosopher Thomas Nagel, sovereign governments have unique duties to protect not only the civil and bodily but also the socioeconomic rights of their citizens.⁶³ In the face of cross-border threats of various kinds, nation-states can and should cooperate in regional and global trade, and in financial, military, legal, environmental, and cultural institutions. To protect national self-interest and sovereignty, national governments try to negotiate favorable loans and loan forgiveness with international financial institutions. The International Criminal Court (ICC) came into being in early 2002, when over sixty national governments ratified a treaty, which national delegates signed in Rome in 1998. The ICC has jurisdiction over war crimes and other violations of internationally-recognized human rights but only when a nation-state is unwilling or unable to try its own citizens for war crimes or crimes against humanity. It is anticipated that, with the existence of the ICC, the UN will increasingly represent the will of the majority of participating states and not (so much) the members of the Security Council. Although human individuals have rights and responsibilities and international

bodies have responsibilities, the rights and duties of (legitimate) *nation-states* are the most fundamental.

Radical Republicanism

Expressed systematically by Richard Falk's *On Humane Governance: Toward a New Global Politics* and fervently by many anti-globalizers, radical republicanism or localism seeks to weaken—if not dismantle—existing nation-states and international institutions in favor of self-governing alternatives and largely local communities committed to the public good and harmony with the natural environment.⁶⁴ The current global order, argues this project's proponents, is inherently unjust, for it systematically favors affluent nations and corporations and is stacked against poor nations, peoples, and individuals. Giving priority to the empowerment of grassroots and indigenous communities that resist and struggle against the many forms of globalization, this bottom-up approach (ironically enough) utilizes communications technology to enable grassroots groups to become a global civil society of concern and action. Advocates of this perspective contend that institutions such as the World Bank will or should become obsolete or decentralized. An elite-dominated ICC or a UN promoted transnational security law at odds with national and local judicial processes would do more harm than good. Indigenous communities, whether or not located within only one nation-state, should govern themselves according to their own rules and traditions. The right of communal self-determination will support

enhanced subnational autonomy and, in extreme, cases succession. Democracy, largely direct and local, must operate on the basis of consensus.

Cosmopolitan Democracy

Proponents of this third approach to humanizing globalization seek to “reconstitute” rather than reform (liberal internationalism), or abolish (radical republicanism) the current system of global governance. This reconstitution, to be guided by an evolving “cosmopolitan democratic law,” consists in a “double democratization.”⁶⁵ First, nation-states should either initiate or deepen and widen both direct and representative democratic rule. Such internal democratization will include some devolution of power to constituent territorial units and civil society. Rather than merely periodic voting, democracy should—as I argued above in Chapters 9 and 10—include public debate and democratic deliberation from top to bottom. Elected representatives would regularly deliberate with—and be held accountable by—their constituents as well as their parliamentary colleagues. Second, one can anticipate that nation-states would come to share sovereignty with transnational bodies of various sorts (regional, intercontinental, and global), and these bodies themselves would be brought under democratic control. For instance, given the atrocious global inequalities viewed from the lens of Milanovic’s concept 3 inequality, one would anticipate some sort of global system of progressive redistribution in which richer individuals would be taxed and poorer individuals would benefit.⁶⁶

Although the details would vary with the organization, this cosmopolitan democratizing will institutionalize popular and deliberative participation in global institutions—such as the UN, the WTO, ICC, the World Bank, and the proposed global taxing authority—and in regional institutions—such as the Inter-American Development Bank, NAFTA, and the Organization of American States.⁶⁷ Among the possibilities for “democratic cosmopolitanism” is a form of world government compatible with “soft nationalism.”⁶⁸

Contributory to this institutional democratization as well, as one of the latter’s results, will be new and complex individual moral identities and new ideals of “interculturalism” [*interculturalidad*]⁶⁹ and multiple citizenship.⁷⁰ People would and should no longer view themselves as nothing more than members of a particular local, ethnic, religious, or national group, but rather as human beings with the freedom to be responsible for all people. And one can anticipate, as Held and his colleagues argue, that citizenship will become multi-layered and complex—from neighborhood citizenship, through national citizenship (often in more than one nation-state), to regional and world or “cosmopolitan” citizenship”:

Citizenship in a democratic polity of the future . . . is likely to involve a growing mediating role: a role which encompasses dialogue with the traditions and discourses of others with the aim of expanding the horizons of one’s own framework of meaning and increasing the scope of mutual understanding. Political agents who can “reason from the point of view of

others” will be better equipped to resolve, and resolve fairly, the new and challenging trans-boundary issues and processes that create overlapping communities of fate.⁷¹

Regardless of scope, citizenship is neither trivial nor absolute. Each kind of citizenship is partially constituted by a commitment to human rights, including the right of democratic participation, and the duty to promote human development at every level of human organization:

Democracy for the new millennium must allow cosmopolitan citizens to gain access to, mediate between and render accountable the social, economic and political processes and flows that cut across and transform their traditional community boundaries. The core of this project involves reconceiving legitimate political authority in a manner which disconnects it from its traditional anchor in fixed borders and delimited territories and, instead, articulates it as an attribute of basic democratic arrangements or basic democratic law which can, in principle, be entrenched and drawn on in diverse self-regulating associations—from cities and sub-national regions, to nation-states, regions and wider global networks.⁷²

In the same spirit, Milanovic anticipates and implicitly endorses the increasing

importance of new global institutions, especially in relation to tackling the challenge of global poverty and concept 3 global inequality:

We are bound to move toward global community and global democracy, and once we do, many of the functions of today's national governments—including dealing with extreme cases of inequality and poverty—will be taken over by new global institutions. The road to that goal will be long and arduous. . . Yet, if we consider the path that has been traversed in the past two centuries—from a consortium of powers ruling the world without bothering to consult anyone else and bent on the sheer exploitation of the weak, to today's host of international institutions and the willingness, however begrudgingly, to share wealth—and if we project these developments into the future, there is, I think, little doubt that further inclusion of all peoples and globalization of decision-making awaits us there.⁷³

How should we assess these three political projects for humanely responding to globalization and what might be the relations among them? Each of the three projects has different emphases and normative commitments. One task of development ethicists and others is to weigh the advantages and disadvantages of each approach and to examine whether the three projects must be mutually exclusive or may be combined in some way.

Although better ways of combining may come to light, one way would be to say something like the following. Liberal internationalism has current institutional salience and should become a starting point and platform for (as well as a constraint on) the more substantive changes that local and cosmopolitan democracy require. Radical republicans rightly insist on the importance of local and deep democracy. Cosmopolitan democrats share many democratic and participatory values with radical republicans, but the former judge the latter as too utopian about grassroots reform that is not accompanied by “double democratization” and too pessimistic about the democratic potential of transnational institutions. On the agenda for development ethicists and others is the pressing question of whether national governments—in contrast to both sub-national and global institutions—have distinctive duties of justice with respect to protecting the socioeconomic rights of their citizens.

Insofar as the globalization processes are neither inexorable nor fixed, development ethics must consider, then, the kinds of globalization most likely to benefit human beings as well as the best ways to humanize and democratize them. Such an inquiry, we have seen, requires that one have criteria for normative appraisal as well as a basis for assigning duties to the various agents of development and globalization. The challenges of globalization expand—rather than narrow—the agenda of development ethics. Interdisciplinary and cross-cultural dialogue and forums of democratic deliberation enable development ethicists to contribute to the understanding and securing of genuinely human development at all levels of political community and in all kinds of

regional and global institutions. As Sen remarks in concluding “How to Judge Globalism:”

The central issue of contention is not globalization itself, nor is it the use of the market as an institution, but the inequity in the overall balance of institutional arrangements—which produces very unequal sharing of the benefits of globalization. The question is not just whether the poor, too, gain something from globalization, but whether they get a fair share and a fair opportunity. There is an urgent need for reforming institutional arrangements—in addition to national ones—to overcome both the errors of omission and those of commission that tend to give the poor across the world such limited opportunities. Globalization deserves a reasoned defense, but it also needs reform.⁷⁴

Concluding Remarks

If humankind is to confront and reduce global poverty, inequality and the violence that they breed, global development—like local, national, and regional development—merits both a “reasoned defense” and significant reform. In this volume I have argued that development ethicists, both philosophers and nonphilosophers, have an important role in meeting this challenge. Articulating and applying a vision of ethically-appropriate social change, development ethicists both assess present institutional arrangements and argue

for improved local, national, and global policies. My own path has led from moral reflection on the development challenges facing Colorado mountain towns and Costa Rican fishing villages to reasoned scrutiny of the ends and means of national development in a globalizing world. Beginning in and returning to their own local and national communities, development ethicists become part of global efforts to build institutions in which all human beings, regardless of where they are born, have a say in policies that affect them and fair opportunities to achieve a life they have reason to value.

NOTES

1. Moisés Naím, *Surprises of Globalization* (Washington, D. C.: Carnegie Endowment for International Peace, 2003), 3.
2. David Held, Anthony McGrew, David Goldblatt, and Jonathan Perraton, *Global Transformations* (Stanford: Stanford University Press, 1999), 2.
3. Held *et al.*, *Global Transformations*, 16.
4. *Ibid.*, 2---16.
5. Thomas L. Friedman, *The Lexis and the Olive Tree: Understanding Globalization* (New York: Farrar, Straus & Giroux, 1999); *The World is Flat: A Brief History of the 21st Century* (New York: Farrar, Straus & Giroux, 2005).
6. Jagdish N. Bhagwati, *Free Trade Today* (Princeton, N.J.: Princeton University Press, 2002); *In Defense of Globalization* (New York: Oxford University Press, 2004).

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7. Fareed Zakaria, "The Wealth of Yet More Nations," *New York Times Book Review*, May 1, 2005, 11.
 8. Richard N. Cooper, "A False Alarm: Overcoming Globalization's Discontents," *Foreign Affairs*, 83, 1 (January/February 2004), 152---153.
 9. Dani Rodrik, "Trading in Illusions," *Foreign Policy*, March/April 2001, 55.
 10. Ibid., 57.
 11. Stephen Krasner, *Sovereignty: Organized Hypocrisy* (Princeton, N.J.: Princeton University Press, 1999).
 12. Paul Hirst and Grahame Thompson, *Globalization in Question: The International Economy and the Possibilities of Governance* (Cambridge: Polity Press, 1996).
 13. Samuel P. Huntington, *The Clash of Civilizations and the Remaking of the World Order* (New York: Simon and Schuster, 1996).
 14. Herman E. Daly, "Globalization and Its Discontents," *Philosophy and Public Policy Quarterly*, 21, 2/3 (2001), 17-21. See also, Herman E. Daly, "Globalization's Major Inconsistencies," *Philosophy and Public Policy Quarterly* 23, 4 (2003), 22---27. Each essay is reprinted in *The Ethical Dimensions of Global Development*, ed. Gehring, 73---80, 81---88.
 15. Rodrik, "Trading in Illusions," 55.
 16. Held et al, *Global Transformations*, 429.
 17. Martin Ravallion, "Competing Concepts of Inequality in the Globalization

Debate,” *Brookings Trade Forum 2004* (Washington, D. C.: Brookings Institution), 1.

Ravallion draws the first quotation from www.ifg.org/store.htm and the second from

Economist, May 27, 2000, 94.

18. United Nations Development Programme, *Human Development Report: International Development at a Crossroads: Aid, Trade and Security in an Unequal World* (New York: Oxford University Press and United Nations Development Programme, 2005), 359. Cf. the World Bank’s definition of “PPP gross national income” in World Bank, *World Development Report 2006*, 302. For a search criticism of PPP, see Thomas Pogge and Sanjay G. Reddy, “Unknown: The Extent, Distribution , and Trend of Global Income Poverty;” and Sanjay G. Reddy and Thomas Pogge, “How *Not* to Count the Poor.” Both papers were accessed June 14, 2006 and are available at www.socialanalysis.org.

19. Ravallion, “Competing Concepts,” 22.

20. Mainstream economists, including those at the World Bank, have used income metrics for both poverty and inequality. In contrast the United Nations Development program, influenced by Sen and others, has supplemented income measures with those longevity, health, education, and agency or power measures. In its *World Development Report 2006*, the World Bank decisively breaks with an exclusively income metric and also measures “equity” and poverty in relation to opportunity, health and educational status, and agency or power. See UNDP, *Human Development Report 2005*, especially chaps., 1-2; World Bank, *World Development Report 2006: Equity and Development*

(New York: Oxford University Press and United Nations Development Programme, 2006), especially chaps. 1-3. Sanjay G. Reddy and Thomas W. Pogge criticize the widely used one dollar per day measure of extreme poverty and the two dollar per day measure of poverty in “How *Not* to Count the Poor, www.socialanalysis.org.

21. UNDP, *Human Development Report 2005*, 3.

22. Erik Thorbecke, “Comments and Discussion,” *Brookings Trade Forum 2004* (Washington, D. C.: Brookings Institution), 22.

23. Ibid.

24. Ravallion, “Competing Concepts,” 5.

25. Branko Milanovic, *Worlds Apart: Measuring International and Global Inequality* (Princeton: Princeton University Press, 2005); “Global Income Inequality: What It is and Why It Matters,” World Bank Development Research Group, February 2006. In *World Development Report 2006*, Box 3.1, p. 57 and elsewhere, the World Bank draws on Milanovic’s and Ravallion’s work and dubs Milanovic’s three concepts intercountry inequality (concept 1), international inequality (concept 2), and global inequality (global inequality). I find the *World Development Report’s* account of these concepts confusing, and prefer to adopt both Milanovic’s nomenclature and his definitions, not least because of the ambiguities of “intercountry,” “international,” and “global.”

26. See Milanovic, *Worlds Apart*, Parts I and II.

27. UNDP, *Human Development Report 2005*, 36--37.

28. Milanovic, *Worlds Apart*, 40. According to UNDP, the Gini index measures the extent to which the distribution of income (or consumption) among individuals or households within a country deviates from a perfectly equal distribution” (*Human Development Report 2005*, 356). The higher is a country’s Gini score or coefficient, the greater is its inequality. Similarly, using the HDI as the measure for median country scores, UNDP finds that convergence of countries is slowing and in at least 18 countries going in the other direction.

29. Milanovic, *Worlds Apart*, 79.

30. *Ibid.*, 81.

31. UNDP, *Human Development Report 2005*, 267.

32. Ravallion, “Competing Concepts of Inequality,” 8-12; Milanovic, *Worlds Apart*, chap. 8.

33. Ravallion, “Competing Concepts,” 10.

34. *Ibid.*, 11.

35. Milanovic, *Worlds Apart*, chap. 8.

36. Ravallion, “Competing Concepts,” 11---12; Milanovic, *Worlds Apart*, 93---96.

37. Milanovic, *Worlds Apart*, 100.

38. Thomas L. Friedman, *The World is Flat*.

39. Milanovic, *Worlds Apart*, dust cover. Sen also describes the current global economic order as one with “staggering inequalities” as well as “appalling poverty” (Sen, “10 Theses on Globalization,” 2).

40. Milanovic, “Global Income Inequality,” 16.

41. UNDP, *Human Development Report 2005*, 38.

42. See Branko Milanovic, *Worlds Apart*, chap. 9; “Global Income Inequality: What It is and Why It Matters,” World Bank, Development Research Group Working Paper, 24---25. See Xavier Sala-i-Martin, “The Disturbing ‘Rise’ of World Income Inequality,” NBER Working Paper No. 8904, April 2002 (available at www.nber.org); “The World Distribution of Income,” NBER Working Paper No. 8905, May 2002 (available at www.nber.org); Surjit Bhalla, *Imagine There Is No Country* (Washington, D.C.: Institute for International Economics, 2002); François Bourguignon and Christian Morrisson, “The Size Distribution of Income among World Citizens, 1820-1990,” *American Economic Review* (September 2000), 727---44; Yuri Dikhanov and Michael Ward, “Evolution of the Global Distribution of Income, 1970-99,” August 2001 draft.; Bob Sutcliffe, “World Inequality and Globalization,” *Oxford Review of Economic Policy*, 20, 1 (2003), 15---37.

43. Milanovic, “Global Income Inequality,” 21---23.

44. See Milanovic, *Worlds Apart*, 155---56; and Carol Graham and Stefano Pettinato, *Happiness & Hardship: Opportunity and Insecurity in New Market Economies* (Washington, D.C.: Brookings Institution Press, 2002).

45. See Ravallion, “Competing Concepts,” 18.

46. Amartya Sen, “10 Theses on Globalization,” *Global Viewpoint*, July 12, 2001 (available on line at www.digitalnpq.org/global_services/global%20viewpoint/07-12-01). See also, “Globalization and Poverty,” transcript of a lecture given at Santa Clara University, October 29, 2002 (available at www.scu.edu/globalization/speakers/senlecture).

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47. Charles Taylor, "Neutrality in Political Science," in P. Laslett and W.G. Runciman, eds., *Philosophy, Politics and Society*, 3rd ser (New York: Barnes and Noble, 1967), X.
48. Ibid., 2. In *World Development Report 2006*, 57, the World Bank authors quote Ravallion's phrase verbatim.
49. Ravallion, "Competing Concepts," 2.
50. World Bank, *World Development Report 2006*, 3--4.
51. Ibid., 4.
52. Ibid., 10.
53. Ibid., 80.
54. Ibid., 75. Cf. Ibid., 206.
55. Philosophers take up these issues in Deen Chatterjee and Michael Krausz, eds., *Globalization, Democracy, and Development: Philosophical Perspectives* (Lanham, MD: Rowman & Littlefield, forthcoming). See John H. Dunning, ed. *Making Globalization Good: The Moral Challenges of Global Capitalism* (Oxford: Oxford University Press, 2003) for a recent interdisciplinary volume – with essays by religious leaders, politicians, businesspeople, and scholars (but no philosophers). For an important consideration of a human rights approach to the moral foundations for international law and global institutions, see Allen Buchanan, *Justice, Legitimacy, and Self-Determination: Moral Foundations for International Law* (Oxford: Oxford University Press, 2004).
56. Moisés Naim, *Illicit: How Smugglers, Traffickers, and Copycats are*

Hijacking the Global Economy (New York: Doubleday, 2005).

57. Scheppelle argues that as part of the global war on terrorism transnational institutions, such as United Nations Security Council, are developing and promoting new transnational security law that national executives use as a cover to undermine domestic constitutions. Among the provisions that enshrine “a state of emergency” are new surveillance policies, weakened data protection, vaguely defined crimes, retroactively applied laws, new exercises and defenses of executive power, elimination of habeas corpus, truncated immigration procedures, increased banking regulations, and increased preventative detention. See Kim Lane Scheppelle, “The Migration of Anti-Constitutional Ideas: The Post-9/11 Globalization of Public Law and the International State of Emergency,” in *The Migration of Constitutional Ideas*, ed. Sujit Choudhry (Oxford: Oxford University Press, forthcoming) and “The International State of Emergency: Challenges to Constitutionalism after September 11,” paper presented to CP4 seminar, University of Maryland, 9 February 2007.

58. Held et al, *Global Transformations*, 444.

59. Ibid., 446---47.

60. Ibid., 431. See also, Amartya Sen, “Justice across Borders,” in *Global Justice & Transnational Politics*, eds. Pablo De Greiff and Ciaran Cronin (Cambridge, MA: MIT, 2002): 37---55. For the notion of global as well as national civil society, see David A. Crocker, “Truth Commissions, Transitional Justice, and Civil Society,” in *Truth v. Justice: The Morality of Truth Commissions*, eds., Robert I. Rotberg and Dennis

Thompson (Princeton, NJ: Princeton University Press, 2000), 99---121.

61. Ibid., 20.

62. Commission on Global Governance, *Our Global Neighborhood* (Oxford: Oxford University Press, 1995).

63. Thomas Nagel, "The Problem of Global Justice," *Philosophy & Public Affairs*, 33, 2 (2005), XX.

64. Richard Falk, *On Humane Governance: Toward a New Global Politics* (Cambridge: Polity Press, 1995).

65. Held *et al.*, *Global Transformations*, 450. See also, Boaventura de Sousa Santos, ed., *Democratizar la Democracia: Los caminos de la democracia participative* (México: Fondo de Cultura Económico, 2004).

66. As a step in this direction, Milanovic endorses the suggestion of François Bourguignon, among others, for the creation of an international income tax on financial flows, plane tickets, CO₂ emissions, or weapons exports. See Milanovic, *Worlds Apart*, 160 and an interview with François Bourguignon, cited by Milanovic, in *La Tribune*, November 13, 2003.

67. Ngaire Woods, ed., *The Political Economy of Globalization* (New York: Palgrave Macmillan, 2000), 202---223; David Held, *Models of Democracy*, 2nd ed. (Stanford: Stanford University Press, 1996); *Democracy and the Global Order: From the Modern State to Cosmopolitan Governance* (Stanford: Stanford University Press); James Bohman, "International Regimes and Democratic Governance," *International Affairs* 75

(1999): 499---514; “Citizenship and Norms of Publicity: Wide Public Reason in Cosmopolitan Societies,” *Political Theory* 27 (1999), 176-202; *Cosmopolitan Deliberation* (Cambridge, U.K.: Polity Press, forthcoming). See also, Boaventura de Sousa Santos, ed., *Democratizar la Democracia: Los caminos de la democracia participative* (México: Fondo de Cultura Económico, 2004); and Buchanan, *Justice, Legitimacy, and Self-Determination*.

68. See Louis P. Pojman, *Terrorism, Human Rights, and the Case for World Government* (Lanham, MD: Rowman & Littlefield, 2006).

69. See Adela Cortina, *Ciudadanos del mundo* (Madrid: Alianza, 1997); “Ciudadanía intercultural” in Jesus Conill, ed. *Glosario para una sociedad intercultural* (Valencia: Bancaja, 2002), 35---42; Joaquín García Roca, “Integración,” in Conill, ed., *Glosario*, 203---11.

70. For the idea of open and flexible personal identity, see Amartya Sen, “Reason Before Identity,” Romanes Lecture, given in Oxford, 17 November 1998; “Beyond Identity: Other People,” *The New Republic*, 223/25 (December 18,2000): 23---30; *Identity and Violence: The Illusion of Destiny* (New York and London: Norton, 2006). For the ideal of global citizenship, see Nigel Dower, *An Introduction to Global Citizenship* (Edinburgh: Edinburgh University Press, 2003).

71. Held *et al.*, *Global Transformations*, 449.

72. *Ibid.*, 450.

73. Milanovic, *Worlds Apart*, 162. Instead of dismissing the idea of world government as impossibly utopian or dangerously authoritarian, Louis Pojman courageously takes the idea of institutionalizing democracy further: “Globalism makes world government possible and a recognition of universal human rights makes it desirable: The synthesis makes it actual” (Pojman, *Terrorism, Human Rights, and the Case for World Government*, 69).

74. Amartya Sen, “How to Judge Globalism,” *The American Prospect* 13, 2 (January 2002), 14. See also Sen, “10 Theses on Globalization” and “Globalization and Poverty.”