

[Edit](#)

PROGRAMS EDUCATION CALENDAR RESOURCES DONATE/JOIN ABOUT

Text Size: A A

BOOKMARK [f](#) [t](#) [e](#)

**Resources****Transcript**

Audio

Video

Ethics &amp; International Affairs Journal (quarterly)

Global Ethics Corner (Weekly Multimedia)

Articles, Papers, and Reports

Carnegie Ethics Online (Monthly Column)

21st Century War and Ethics (Monthly Column)

Resource Picks

Archived Publications

RSS

[Carnegie Council Podcast](#)[Carnegie Council RSS](#)[Follow us on Twitter](#)[Follow us on Facebook](#)[Carnegie Council Channel](#)**eNewsletter Signup**

Please enter your email address to subscribe to the Carnegie Council email newsletter.

email address

SUBMIT

**Most Emailed Pages**

From Resistance to Revolution and Back Again: What Egyptian Youth Can Learn From Otpor When Its Acti

The End of Arrogance: America in the Global Competition of Ideas

Whither the Responsibility to Protect? Humanitarian Intervention and the 2005 World Summit [Abstract

United Nations Justice: Legal and Judicial Reform in Governance Operations

The Unfinished Global Revolution: The Pursuit of a New International Politics

The September 11 Effect [Full Text]

Home &gt; Resources &gt; Transcript

## Global Responsibilities: How Can Multinational Corporations Deliver on Human Rights?

[Public Affairs Program](#)[Andrew Kuper](#), [Peter Singer](#)

September 19, 2005



Global Responsibilities

**Related Resources:**

[Global Responsibilities: How Multinational Corporations Can Deliver on Human Rights](#) (Audio)

- [Introduction](#)
- [Remarks](#)
- [Questions and Answers](#)

**Introduction**

**NADIA ROUMANI:** On behalf of the Carnegie Council, I would like to welcome you all to today's event. I am Nadia Roumani, Senior Associate here at Carnegie and co-manager of the Global Policy Innovations

project.

The project came here about a year ago, with support from the Rockefeller Brothers Fund and the Ford Foundation. The intent is to bring to the surface new approaches to global and local development, specifically focusing

on social and economic policy alternatives that bring about a more equitable globalization. Through our online resources and a series of convenings like today's, we are bringing together policymakers, thinkers, and practitioners in an attempt to bridge the local and the global, and the theory and the practice, in a more equitable globalization.

This is the first event of a series called **A Fairer Globalization**. We will be carrying it out with a variety of partners across the United States and internationally, beginning with this event, and followed by another one in November in Ohio on alternative trade union employment practices.

Today we will be addressing the issue of "Can Multinational Corporations Deliver on Human Rights." We are also launching a new book, [Global Responsibilities: Who Must Deliver on Human Rights?](#) I will just give a very brief introduction of Andrew Kuper, the editor of the book, and Peter Singer, a contributor to the book, and then hand it over to them to moderate and to run this session.

Dr. Andrew Kuper is the editor of *Global Responsibilities* and the author of [Democracy Beyond Borders](#). He is also a Managing Director at [Ashoka](#) and heads up the [Global Academy](#).

Professor Peter Singer is a professor of bioethics at Princeton University at the University's Center for Human Values. He has been widely recognized as one of the world's most influential and controversial ethicists.

I will hand it over to Andy.

**Remarks**

**ANDREW KUPER:** Thank you to the Carnegie Council; I served here for a year as a Senior Associate, so it feels like coming home. And thanks especially to the Council's President Joel Rosenthal, and to Nadia Roumani and Evan O'Neil at the Council for having us today for what should be a very, I hope, stimulating discussion.

**Features**

[Policy Innovations Online Magazine](#)



The central address for a fairer globalization. [> More](#)

[Global Ethics Corner Videos](#)



Weekly 90-second videos on newsworthy ethical issues. [> More](#)

[Ethics & International Affairs](#)



Go to the Journal for articles on ethics and foreign policy. [> More](#)

Since we are at the Carnegie Council for Ethics in International Affairs, I thought I would start with a quote from a great ethicist, [Niccolo Machiavelli](#), who said: "There is nothing more difficult to plan, more doubtful of success, nor more dangerous to manage than the creation of a new system, for the initiator has the enmity of all those who would profit by the preservation of the old system and merely lukewarm defenders in those who would gain by the new one."

What we have tried to do in this book, *Global Responsibilities*, which has thirteen contributors including some of the world's leading ethicists, international political theorists, and economists, is to introduce a new way of thinking about the political system and human development. This new way focuses not solely on human rights and recipient-oriented concepts of human rights, but on a responsibilities approach to human rights. Hopefully, this discussion will bring out some of the dimensions of that approach and make at least some of you into non-lukewarm defenders of this attempt to create a new order. Peter and I both are philosophers by training, but by disposition and current roles have a strong bias for action. So that is my hope for what emerges from today—new, considered converts to a just cause!

*Global Responsibilities* has its origins in another book that I wrote and published last year, called [Democracy Beyond Borders](#). What *Democracy Beyond Borders* argued was that the structure of global power had shifted dramatically, so that the state was only one actor among many others with immense power.

Given that shift, the notion (as is implicitly and then explicitly agreed in the [Universal Declaration of Human Rights](#)) that somehow the state would deliver on all the human rights claims that are out there starts seeming a pretty dubious one. One starts to think, "Well, if corporations are as powerful as they are, if certain non-state actors, such as global citizen organizations are as powerful as we think they are, then why aren't these actors being held responsible in important respects for delivering on human rights? And what special competences do they have that they might be able to contribute to the realization of rights?"

So I started thinking systematically about those questions in the hope of understanding how these different actors might play a much stronger role in major governance institutions. I examined at the world courts and the United Nations in particular, and then I also looked at some of the roles of organizations like [Transparency International](#), which are trying to create a new kind of architecture for corruption control. And I proposed a number of specific routes to incorporating non-state actors into these institutions, thereby rendering both actors and institutions more effective and accountable.

Then I thought, "Well, we need a much more systematic way to go about deciding how responsibilities are assigned." While I was pursuing this line of thought, I found that a number of my friends and colleagues and mentors were thinking along the same lines; namely, they were incredibly frustrated by the way we are using rights talk right now. All the discourse of social justice, equality, and democracy is couched in terms of rights these days. This language proliferates. "I've got a right to happiness," for example. Who is going to deliver on your right to happiness? "I have a right to X, I have a right to Y." Suddenly, you start worrying: is rights talk becoming like a currency that is overly manufactured, in such quantities that it gets devalued? How do we rein in and redirect rights talk so that it becomes as powerful as possible for those who need and use it most?

I ask this because the notion of rights is supposed to help us to secure some very important goods. When we say, "There is a right to X," suddenly urgency is indicated; specific actions seem to be required. But if everything is couched in terms of a right, if we do not know what the implications for action are, we've got to start worrying. Because then we seem to be running around saying merely, "someone has to do something, because this is so bad."

Now, what we have tried to do is ask a different question, one that focuses not purely on the recipient of "who needs what" (which has been very heavily focused on) but on the "who." That is, we think [the Millennium Development](#)

[Goals](#) are important, poverty reduction targets are important, all of that is important, but who must deliver on them, and particularly on human rights?

So we ask a very different question: "Who must do what for whom?" That question captures the notion that human rights discourse should be an action-guiding discourse, a discourse that helps us see and act on urgent matters.

Otherwise constant words and exhortations about rights just come to be seen (as the great ethicist Onora O'Neil has put it) as potentially a bitter mockery to the poor and needy. "Yes, you have rights," we say. They reply, "Who is going to deliver?" And we have nothing to say.

So the idea behind *Global Responsibilities* is to specify a countervailing set of agents of obligation, agents who are both capable and responsible for delivering on certain human rights and can be held accountable for that. And then there are further questions, which we have only begun to explore, but it is a vast and unmapped territory. How you get them to fulfill those obligations very clearly? What sort of mechanisms are going to work? Today we will discuss some of those mechanisms and how a responsibilities approach helps us to frame the approach to identifying and implementing those mechanisms. It gets us to look through the right lens and find the right actors who can and should take the appropriate action.

Peter will be talking first on the responsibilities that individuals and states must fulfil in order to achieve human rights, but also about the obvious implications for corporations. He is famous for a very strong view on our obligations to the poor and needy, which I take to be important for all of us to grapple with.

With that, I am going to hand over to Peter, then I'll talk for just a bit, and then we will open it up, because both of us are in favor of more dialogue and less monologue, talking with you instead of talking at you.

**PETER SINGER:** Thanks very much, Andy, and thank you for the invitation from the Carnegie Council to have the opportunity to speak to this very interesting and knowledgeable audience on this topic.

I think Andy has set out some of the issues very well: first, the question of who is to be held responsible; and secondly, what is all this talk about human rights really doing here?

So let me begin with the second of those first, just to clear the ground a little. The approach that I take to ethics is not based on rights. I am happy to talk about rights, but to me they are not foundational. I don't think we can just say, "Human beings have the following set of rights," as if there were any self-evident set of rights that human beings have.

I think we need, rather, to begin the discussion by saying what kinds of things are in people's interests and by arguing from the standpoint that we ought to be giving consideration to people's interests; in fact, I would say we ought to give equal consideration to the interests of everyone affected by our actions. That is to me a fairly fundamental-level ethical principle: that if beings have interests, we ought to take those into account in what we are doing and we have at least no initial reason for saying that because someone is living in Mozambique or Bangladesh or Kenya or wherever, their interests are less significant than the interests of someone living in the United States.

We maybe can talk at a somewhat different level about the fact that societies have obligations to care for their citizens. Obviously the United States government has a prior obligation, a greater obligation, to assist the victims of Hurricane Katrina than it would to assist the victims of a hurricane that had similar effects in Mozambique. But I think that is only, if you like, a contingent fact because of the way the world is presently organized and the way governments are elected and responsible to their citizens.

At some more fundamental level, I don't think it is any more tragic if a person dies because of insufficient government assistance in New Orleans than if they die in Maputo or in any other place in the world. It seems to me, by and large, an equal tragedy and something that in principle we ought to be equally concerned about and equally concerned to do something to prevent.

So if we are going to talk about human rights, I think it is derivative on that notion of equal consideration of interest. We might then say: "Well, in order to promote people's interests, we should work towards an international system, where, for example, everybody has a right to a wage that provides them with the ability to feed themselves and their family, if they have family dependents; or everybody has a right to a workplace that is not injurious to their health; or everyone has a right to be protected from social harassment in the workplace."

We can talk about those things because we are talking about things that refer to and protect very basic and major interests. But it is a secondary level, I think, that comes on top of the recognition that by and large human beings have roughly similar interests in things like being able to feed themselves, clothe themselves, protect their families from hunger, provide basic health care, provide some education for their children, and so on. So I think that for me anyway, the rights talk is not fundamental.

In a way, the more interesting and substantive question is this question that Andy raised, of who is to be held responsible. So if we take the view that we ought to give equal consideration to everyone's interests, then it immediately becomes obvious, of course, that there are vast numbers of people in the world whose interests are not being protected or furthered, and that there are various entities or moral agents if you like, who could be doing something about it.

Just to take the most clear-cut example, there are about 1.2 billion people living below the most severe poverty line, which is set at the purchasing power equivalent of roughly one U.S. dollar per day. So those are the people in the direst poverty. In fact, of course, there are something like twice as many living below \$2.00 a day purchasing power equivalent, which is still pretty serious poverty. But even if we just focus on the 1.2 billion, that's a life which clearly lacks some of the things that I have been talking about—food, security, basic health care, safe water, the ability to provide education for your children, depending perhaps on which country you are living in and some of the things like that.

Equally clearly, there are various moral agents who could do something about this. Andy has given you a list of them. It could be states. It could be perhaps global bodies, like the UN possibly, if it has the means, or the World Bank. It could be multinational corporations, perhaps. All of them could do something about this. The question is: Who has the obligation to do something about this? Who is responsible?

But of course, there is one very large class of moral agents that is left out of that list, and that is all of those individuals living in the world who have the means to do something about it, which probably means at least roughly a billion people living in the developed countries of the world.

And probably you could add very substantially to that, maybe even double it, by talking about another close to a billion people living in developing countries but who have achieved middle-class or better status in those countries. It is important to include them because we often don't think about them. We think about the developed countries. I'm from Australia originally, and there are 20 million Australians who are nearly all—not all, but nearly all— at a middle-class level, and who could all be doing something about global poverty. But now think of India. Although it is a developing country with great poverty, there is a middle class in India of the same level as the average Australian, which is probably at least five or six times as large as the total population of Australia. So we ought not to be forgetting that part of the world too.

So if you ask this question of who is responsible, since I am now addressing an audience from one of the developed nations, and I would guess an audience that is certainly above the poverty line within even the affluent United States, we are all responsible. That is my answer.

Every one of us who ever spends anything on something that we don't need, that is not to satisfy our basic needs, has the responsibility, because we then have choices. We have choices about how to spend that money. Do we want to

spend it on ourselves, do we want to go out to a fine restaurant, do we want to buy tickets for the opera or theater or a concert and so on, do we want to go on vacations that clearly cost us a lot more than staying at home, do we want to buy luxury vehicles, or whatever it might be, even down to something as simple as buying a soda when there is safe drinking water available that would quench our thirst. All of those are in a reasonably literal sense luxuries, and they provide us with choices about what we ought to be doing.

So I think that there is a strong moral argument to say that, given the existence of over a billion people living in this desperate poverty, we ought not to be spending money on luxuries; we ought to be taking as a priority meeting the interests and needs of these people. As I say, if you share with me the moral principle of equal consideration of interests, that can follow fairly directly.

Now, there is a lot more that could be said. Andy knows a lot more, and in the debate we have in the book *Global Responsibilities* we make some points about this. We can go back and forth for a long time. Maybe we will have a chance for some more exchange on this. But I think that there is a sort of a glitch in our moral view, if you like, that we don't take this more seriously.

Sometimes I look at this by using analogies. For example, many years ago in an article, I described the situation where you are walking past a little pond. You happen to know it is a fairly shallow pond, and you notice that a toddler has fallen in the pond and appears to be drowning. You look around, you can't see any parents or anyone else who has noticed what is going on or is in a position to help the child. You are in a position to help the child. But then it suddenly flashes through your mind that you are going to give a talk, let's say, or you've got a business appointment, or something like that. And if you wade in, you are going to get fairly wet, at least up to the knees, and you are going to ruin that nice pair of shoes that you put on specially for this occasion. You couldn't really go on and give the talk. You would have to go home and change. So there is a certain amount of inconvenience. There is a certain amount of expense; you will ruin a decent pair of shoes, and maybe a good pair of pants as well.

So if I say to you, "Well, does that mean that you don't have an obligation to wade in and pull out the child?" Everybody says, "Oh no, of course not. Those things are annoying, but they are basically trivial. How can you compare them to a child's life?"

But my point is, of course, that when we spend money on things like the new pair of shoes or whatever else it might be, we are implicitly comparing our that item implicitly with what we think about a child's life. It is hard to specify exactly what amount might save a child's life, but no doubt if you carefully select agencies that are effective in generating aid and in doing poverty relief, I think that there are agencies which for the amount that you spend on luxuries over a year would certainly be able to save the lives of probably not one, but maybe several children. Or, if that is not the only priority, then at least contribute to substantially raising their material level of well-being, and perhaps providing education. If you are worried about things like global population, for example, by providing education for girls, you are probably going to contribute to reducing fertility. We can obviously talk about that in more detail.

So I think that is where the primary responsibility ought to lie. It ought to lie with all of us, and we all ought to recognize that we are probably not doing enough in this respect. Very, very few people are doing enough in this respect.

If we put it against that background, then we move to the question of how can multinational corporations deliver on human rights, I think that we take a somewhat different perspective of their responsibility. I think we all have these responsibilities, as I say, and I certainly do think the multinational corporations have responsibilities to do what they can to improve the situation of people that they are employing in developing countries, to pay them wages that enable them to support themselves and their dependents, to provide a reasonably safe workplace, to prevent sexual harassment, to allow them to organize, provide education for children if their families are living on-site, to

not pollute the environment, and so on.

But I think the key to this is still going to be individuals in developed societies. If the consumers who are buying from multinationals show no interest in the performance of multinationals in these areas, if it doesn't affect their consumer choices in any way, I think it is asking a lot of multinational corporations to simply, unilaterally, take up the task themselves and say, "This is what we ought to be doing."

The corporations are in a way the result of the society in which they grow up. They reflect the interests of that society, and I think it is up to us to educate the consumers in order to demand standards from them that they be held accountable in various ways.

So I see this not as simply saying to corporations, "Well, you ought to go ahead and do this." I see it, rather, as providing mechanisms whereby consumers can be aware of the records of the multinational corporations that they are purchasing from. That can be effective in the global image of the corporation, and thus to some extent in the readiness of consumers to buy their products, and also I should say in the extent to which the employees in the corporation at all levels can feel proud about what they are doing. I think that is an important factor. If corporations can actually promote the idea of being global leaders in defending human rights, they will probably get better loyalty out of their workforce and a better sense of pride in their work than they will if the employees feel that the corporation is just out to make a quick buck as fast as they can from Third World countries—and then why shouldn't they do the same from the corporation?

So, without going on too long, I think that is what we ought to be looking at. We ought to be looking at systems of social accountability, of recognized standards which can be properly and independently audited, and about making those standards well known in the developed countries where the multinational corporations have their markets. It is in that way that we can get multinational corporations to deliver, by beginning with ourselves; and beginning not only with our own attitudes and our own recognition of our responsibilities for global poverty and for doing something about global poverty, but for making ourselves ethical consumers who also recognize a responsibility to think about who we are buying from, think about what products we buy and how they are made, and to direct our consumer choices accordingly.

Thank you very much.

**ANDREW KUPER:** Thanks, Peter.

I agree with Peter on a number of points, more than I anticipated, especially if you look at the no-holds-barred debate between us printed in *Global Responsibilities*. I think we are in basic agreement on the cosmopolitan and universalist approach to rights, or at least on treating all possible people affected by our actions equally in principle, and on thinking that institutional arrangements are a contingent set of mechanisms that have to be justified. So the state isn't, for instance, just justified *per se*. It has to be shown to be the most effective mechanism of delivering more broadly to all people on this or that set of interests of rights claims.

But the approach that I take is somewhat different from the more reputation-focused, and charity-focused approach that Peter speaks about. Let me be clear that I am not in any way attacking charity *per se*. I am talking about what strategies would be most effective in terms of mobilizing corporations. Peter has spoken about one: changing the attitudes and behavior of consumers. I would like to talk about a few others, but also to try and distill some of the underlying principles of how we might go beyond acting as consumers and act in various other effective ways as well.

Firstly, I think there is a very strong argument that is increasingly gaining ground—an argument that I was taught by my father— about how more ethical corporations are corporations that build trust, and in so doing build competitive advantage. That is, that if you are a corporation that has a certain level of ethics and standards across your supply chain, if you are clear on those underlying values and on how values add value, then you are able to lower

transaction costs and align your stakeholders behind the vision because you are operating off the same assumption and base. You are also—when you run into particular problems, say a sudden crunch that you face with cash flow or production— not going to be abandoned by your suppliers immediately, or by your consumers or any other stakeholders immediately, in part because you have built a certain kind of loyalty that may endure that initial blip. If you are just going for basic self-interested and purely reputational arguments, you may not get that sort of outcome.

So one purpose that we must adopt is to build into corporations themselves a knowledge about how certain kinds of values and approaches actually add value to competitive business.

Another step we must take is to recognize that corporations are quite legitimate in many cases when they say, "Look, if I am going to be a conservationist and I swim with hungry great white sharks, I am going to be eaten." There is a real collective action problem that arises for corporations, that if they play by certain rules and no one else plays by those rules, they can suffer tremendously severe consequences. It is an easy thing to say, "Well, let them go out of business," but let's notice how many people might be deeply affected by that, often those laborers that Peter spoke about so eloquently. So there is a real need to overcome these collective action problems.

I believe we have representatives from the [UN Global Compact](#) here tonight. This is a very interesting and revealing initiative, which has had hundreds and hundreds of major multinationals sign on to ten principles concerning labor rights, a new one on anti-corruption, environmental rights, and so on. The attempt here is to create a set of hyper norms, norms that can apply to almost all industries, and to see how then we can get various companies to publicly agree to those norms and abide by those norms.

Now, you may say, "Well, there's no enforcement mechanism," and that is quite true. And then one has to look at the strategy that the Compact has adopted for getting companies to take real (not cosmetic) action. I am broadly in favor of the Compact and believe that it is achieving valuable outcomes. The strategy that the Compact has adopted, though, is one of waiting for champions to emerge, expecting that "if we involve everyone in the process, more and more corporate champions will emerge naturally." I am somewhat skeptical of that approach.

One lesson I would like to distill today is this: change happens through agents that have disproportionate social power and drive to effect change. If you look at the work pioneered by Morton Grodzins and Thomas Schelling on collective action (made famous by Malcolm Gladwell in [The Tipping Point](#)), it is those catalytic agents that we should really be focusing on, in a highly targeted way, to get enough leverage to really move the world.

For instance, look at what has happened with conflict diamonds. I am from South Africa. The whole of sub-Saharan Africa has been deeply affected by the trade in conflict diamonds. It has fueled conflict and war for many, many years. This was thought to be a problem that simply could not be overcome. It was very difficult to see how people could be stopped from monopolizing certain pieces of territory and then extracting the wealth from that area.

A very small citizen organization called [Global Witness](#) said, "We have very limited resources. How can we go about really changing this?" They approached De Beers. De Beers produces the majority of the world's diamonds. They convinced De Beers not only of the dangerous reputational effect but of all sorts of other effects that conflict diamonds could have on the company's core business, noting that diamonds are a prestige product.

So what did they do? De Beers bought into this. Now, you're De Beers. You don't want to play on an uncompetitive playing field. You have the power to change that playing field. In many ways, that is what De Beers did. It brought competitors, states, and a lot of other agents, along with it into a system of managing conflict diamonds.

Now, it is a complex system, a system that has a long way to go in terms of achieving everything it aims to achieve, but it has had a significant effect on



conflict in the region. You can see that the reduction was fairly immediate in Angola and some other key countries.

What I would suggest is that we can draw a lot of lessons from that kind of actor. That is, the actor such as Global Witness who doesn't simply say, "Well, let's doggedly try and reach all consumers," but rather asks, "Who can we particularly target who has the power to flip the system?"

A second lesson, I believe, can be distilled from the very is that one can see very effective work on anti-corruption by [Transparency International](#). Transparency had a very different strategy from what had come before. That is, they thought, "Let's form a global coalition against corruption. That global coalition will enjoy local support." So they got support from actors in multiple countries who work together. They also developed the Transparency International Corruption Perception Index, using an unprecedented methodology to rate countries against one another.

But, above all, they asked, "Who are the tipping actors here? Who are the tipping actors if you are talking about corruption?" What they managed to do was convince a small number of media titles (e.g. *The Financial Times*) ratings agencies and banks that corruption is a source of risk. As soon as those actors incorporated Transparency's rankings into their assessments of risk, suddenly these rankings became not something that a small citizen-sector coalition was railing about, but something that was part of the international financial architecture.

Transparency International found those tipping actors. Again, in this case major corporations were heavily involved.

The second great lesson, beyond the tipping point, that I would like to draw out today is about how to identify the right actors and to create a dynamic system for advancing human rights. I would suggest that we need to think very carefully about new business models that are being developed by social entrepreneurs. I work for Ashoka, Innovators for the Public. We have supported and connected social entrepreneurs, social innovators, in fifty-three countries around the world.

Their new business models for addressing old social problems are simply amazing. Social entrepreneurs are showing in several cases that the notion that corporations should act responsibly because there is just a reputational concern, or that it is more about soft issues or marketing issues, is a real mistake. That is, one can think about the poor, not just the 1 billion poorest, but the 2 billion poor, perhaps 4 billion consumers and producers who are pretty much excluded from the global economy and see that they themselves provide the key to the most effective systems for mobilizing wealth right now. One can find innovative systems to engage them and at the same time help them transform their own lives.

For instance, if you look at Grameen Phone and Grameen Telecom, they have managed to empower poor women by loaning them phones that can then be rented out by them to their local community in Bangladesh. In so doing, the women make a certain amount of money that helps them and their families to survive, the communities get connected to information and markets, and Grameen has a sustainable model. It's now one of the largest phone networks in South Asia. At the same time, if you look at [Amartya Sen's](#) research and other very significant research on poverty relief, it shows that access to markets of the right kind proves to be the most fundamental thing in avoiding famines and the most severe deprivations that come with poverty and underfulfilment of human rights.

So as I see it, it is not simply a matter of companies and their shareholders, activists and citizen organizations thinking of this in reputational and, above all, marketing terms, although that that is important. It is about showing that the internal business models of these organizations not only could change, but if they do change, there will be major competitive advantages that arise out of this.

Now, this conclusion differs from Peter's somewhat. This may be due to some difference in our views of human nature, but I sense it is more to do with a



difference in our attitude or the framework that we adopt for looking at politics. That is, I think politics is fundamentally a systems problem; that you can shift a lot of the individual attitudes within it—sure, that matters—but in the end, the system has to be restructured. You can have an enormous number of people, as with the tipping point lesson, trying to do one thing, and it is not going to have as much effect as certain key agents doing it. So I think then my political prescriptions would be much more along the lines of targeting key agents in key industries, as Global Witness did with De Beers, as Transparency International did with risk-assessment agencies, or as Ashoka does by identifying and supporting social entrepreneurs who will not rest until they have created massive change.

That concludes my remarks. As I said, we would rather talk with you than at you, so I thought what I could do now is open it up to all of you, and then perhaps if Peter has rebuttals or additions based on what I have said, he could come in with those also.

### Questions and Answers

**QUESTION:** I had a couple of themes that I wanted to draw out that I wonder if you could both comment on.

One is on the topic of standards, which you both briefly mentioned, Andrew in the context of the Global Compact. I wonder if you could comment on your opinion on voluntary versus mandatory standards for companies in terms of human rights, and within that, talk about something a little bit beyond the Global Compact, also led by the UN, which is the [UN Norms for Businesses](#). So if you could comment on those things, as well as on what you view as the boundaries of responsibility for companies in terms of their supply chains and their stakeholders. Where does their responsibility for human rights begin and end?

Lastly, the piece of the discussion that seemed to be missing for me was cases where companies are actually implicated in human rights abuses, not where they are taking responsibility for what I would call collective human rights responsibilities. Several cases are documented by [Amnesty International](#) where companies are actually implicated in human rights abuses. So if you could comment on that I would greatly appreciate it. Thank you.

**PETER SINGER:** Some of those I think were more directed to what you were saying, so why don't you begin, if you don't mind, and then I'll come in?

**ANDREW KUPER:** Okay. I just published another article, called "[Harnessing Corporate Power](#)," in which I look at some of the issues around voluntary versus mandatory standards. If you want the absolute crux, for me it is that I don't think that mandatory standards at this point are often feasible. I do think we can move towards more soft law through more voluntary standards.

I also believe we have to build political will within the global system, and that there are effective means to do it. If one can reduce the gap for corporations between their sense of their core operations and the responsibilities required of them, and you can show that their interests coincide with these standards, by making the supply chain more reliable and so on, I think you can go a very long way towards bridging the perception gap so that corporations recognize actions that they can and should take, to the benefit of all.

My sense is not that corporate leaders are malevolent agents out to exploit everybody (although of course there are some, a few of whom are covered widely in the media); rather, my sense is that there is a lack of understanding and that there needs to be a gradual evolution towards this level of involvement.

I do think there has been significant improvement over recent years, with the Global Compact and UN Norms for Business and so on, on what those principles would be. We used to have discussions that went on endlessly about what they should be. I don't think there is as much debate now about that. Progress! It means there is a significant opportunity to create a fairly level playing field and shared frame of reference for corporate social responsibility, which overcomes collective actions problems.

As for companies implicated in human rights abuses, in the book we talk about various principles for allocating responsibility. It is interesting. Peter uses what I would call a capacity principle: that is, the agent most capable of delivering, rescuing the child from the pond let's say. There are other principles.

One that is particularly important is considering the agent that has caused the harm. I think that, in many cases, the agent that is most responsible for remedying something is the agent that has caused the harm.

I also think certain levels of connection to a community matter significantly, which is another principle we use for allocating obligations. You can't operate for decades in a place and then say you owe the local people nothing.

Yet a fourth principle for allocating obligations, discussed in *Global Responsibilities*, is working out who is morally responsible for the human rights abuse in this context. It should not be the direct abusers only; it may be government or business rogues who have stripped away very basic legislation that protects people.

So there are four principles for allocating responsibilities (capacity, causation, community, and contextual responsibility) at least.

As for precisely what we do, the Transparency International case is really revealing here, because they decided they had to choose between forming this coalition or being another "namer and shamer." They chose to form the coalition and they were effective. That is a very interesting fact, because it means that we need both kinds of agents.

I worry about Amnesty and Oxfam and a number of organizations that I care about and support in many respects. I worry about them because they are often trying to do both of those things. That is, if you look at the budgets, they are increasingly devoting significant resources to cooperation with corporations (a good thing overall, if done right); and then, on the other hand, they are running around trying to expose them. I wonder if something is not going to happen that is analogous to what has happened with some of the Big Five consulting firms, who had to separate out their accounting and their advisory business. So I wonder whether there doesn't need to be something of an unbundling where you say there is one set of organizations that is the attack dog which does the "naming and shaming," and another set that does more the cooperation and measurement. Or at least separate out the parts adopting these different approaches. Because doing both leads to significant conflicts within citizen organizations.

**PETER SINGER:** I think I probably generally agree with that, in that I do think there is obviously a danger about getting too close to corporations if at the same time you are criticizing them. But, I suppose, broadly I would go for the "whatever works" sort of philosophy. So that if in fact in some circumstances you think that working with corporations is going to be more effective in getting them to do the right thing, okay, then that's what you should do, while being aware of the danger that you might cease to be objective in doing that.

I think there has actually been quite a lot of success on a number of issues around that. Obviously, there is a huge distance to go, but I am not totally cynical about the idea of corporations changing, improving the ways in which they do things.

In terms of corporations that are actually implicated in human rights abuses, obviously that is something that needs to be publicized as far as we can. And yes, I don't disagree totally with Andy. If they are causing it, then they should stop; they have a primary responsibility there. But I do also think that anyone who can improve the situation at relatively minor cost to themselves ought to be doing that.

I'm just trying to think whether we've covered the various things that you raised. I don't really know enough about The UN Norms for Business to comment on that. I don't know whether you want to, Andy.

**ANDREW KUPER:** We could get into this for a long time. Maybe we should just talk about it afterwards.

**QUESTION:** It seems to me what you were saying about NGOs and CSOs is they should basically stick to what they are good at, maybe challenging companies and playing that role, focusing on defending social groups, people living in poverty, whatever their cause might be. While at the same time you are saying that companies should look wider than their core business—running a business, making money, creating wealth, sharing wealth— and also focus on doing what the CSOs traditionally do, addressing social issues, improving conditions where people live in poverty, saving the environment, whatever it might be.

Surely it would be the best of both worlds to bring those two together to work in partnership so that companies can do play their central role as businesses but also have a positive impact on society, and CSOs can work with businesses because they have that expertise. Isn't it a contradiction to say that one should stick to their own job and the other should do both?

**ANDREW KUPER:** Let me be very, very clear that I am not saying that CSOs should just stick to what they do now. What I am saying is that what happens for an organization is that it often runs into significant contradictions in what it is doing.

So I was arguing for a certain kind of unbundling. That is, I think there are some organizations that should primarily try to be focusing on those areas of cooperation, and there are some that might need to be much more geared towards the "naming and shaming." Otherwise, you can be really pulled apart.

Now, whether that is within a structure where there are two separate arms, or whether it is that you need a ratings agency that does some of what Transparency International does now and another organization that works with organizations like TIRI, which was started by former staff members of Transparency International. TIRI is now working with corporations and with cabinets on how do you really implement this, doing a quite separate, distinct thing in a quite different relation, that of almost a consultant and advisor that especially builds capacity. Either way, I think there needs to be clearer differentiation of those roles.

Similarly I think that within corporations there are all sorts of things one has to build into the business model. But, for instance, you might have a certain orientation and enthusiasm in the new business development or underserved markets units of the corporation. If you just wait for current parts of the business to start delivering to those underserved markets, about which they know very little, they are going to quickly revert to managing markets that they know better.

So I think organizations can sometimes do them both, if it is appropriately structured, and sometimes different organizations should do them.

**QUESTION:** The tenor of the discussion immediately sends me to a place that is not in America, and yet I think that there are many places in the United States where you could look and say, "Are corporations behaving responsibly here?" I am trying to resolve the large conversation about an "other" out there, where it might be more obvious. You can draw greater attention to the abuses that might take place in a global context, and in a sense allow corporations to abdicate complete responsibility for their own local effects. I say that thinking about communities in the United States which have been the recipients of long periods of exploitation — and not just by large corporations, by the way.

I am thinking to myself: What about the roles of state? What is the responsibility of the elected leaders to act on behalf of the citizens that they represent, not just sit back and allow agents that are external to practice in their communities and produce a life that may not be a good life, that may be a very environmentally damaging life?

So it is really two questions. One is bringing it back to a place called home, and how do we actually get corporations to see themselves to be responsible domestically as well as internationally, because I think it is actually easier to be the "bad cop on the block" outside of the United States than it is to get

efficacy at the local level.

The second is: How do you get the local state to actually say, "Excuse me, but you can't do this anymore; I don't think it is okay."

**PETER SINGER:** I think in a way you are right to focus our attention here as well. I do think that the abuses are vastly greater in general in developing countries than they are here, partly because they are just harder to police and it is on a larger scale. But certainly these things happen here.

In fact, some of the organizations that we have been talking about are involved here. For example, Oxfam America was involved in assisting an organization called the Coalition of Immokalee Workers—Immokalee is in Florida, where most of the nation's tomatoes come from—to initially expose slavery cases, forced labor, that were happening in the United States in Florida among immigrant workers, and they successfully prosecuted three of those cases.

They then helped them to initiate a move to raise the amount that they were getting paid. They were paid on a piecework basis for picking tomatoes. That was done through the largest purchaser, which was Yum Brands, which owns Taco Bell and KFC. Eventually, after a campaign that involved a lot of community groups and churches and others, they got a modest pay increase.

So I think similar things can happen here, and we want to make corporations responsible here as well as overseas. Again, it is always to me a matter of where you can do the most good. Now, maybe in some ways it is easier to work domestically, because you can get more on top of the situation more easily, and you can perhaps get more support. But if the abuses are greater overseas and you can do something about them, then I think that is where your focus should be.

**ANDREW KUPER:** I also should stress something about working domestically versus globally. That is, if you are a very powerful corporation in a failed state, or one that has deep problems, like Shell in Nigeria's Ogoniland for example, you often have disproportionately more power relative to all the other actors in that society and thus are able to shift things more dramatically. As the eminent ethicist Onora O'Neil has pointed out you may have greater responsibility in those less regulated contexts even than you do have here in a developed country—which is not to say that you don't have it here, but with greater power comes greater responsibility.

I should also say that both here and overseas there are real options for changing what the agreement is with companies about their *modus operandi*. So with companies that are starting up or starting new ventures, such as mining companies or high-labor-intensive industries, you could for instance, with mines, link managing HIV/AIDS obligations in areas like parts of Nigeria or South Africa, to giving the company the mining concession. Here you might also insist on certain labor standards (such as the gold standard of labor standards, SA8000) and certain other requirements.

There isn't enough pushing hard on those kinds of subjunctive clauses to contracts, because there is such a desperate desire to get corporations in to grow the economy (or line the pockets of the wealthy and powerful). But there are a number of successful instances of pushing hard on that. Hoping for corporate social responsibility and trying to get them to act responsibly is often nowhere near as effective as just that simple clause in the contract.

**QUESTION:** You have talked about people being ethical in terms of what they are consuming and also about corporations. What about the extent that shareholders would be willing to lose their profits and maintain their lifestyle when they are aware of the fact that things are not going as well as they should be? Putting pressure on multinationals and corporations and presidents is important because they probably make far too much money. But the shareholders are doing awfully well also, and I am not sure that anyone would be willing to put a dent in their portfolio, because life is very expensive. You could put a lot of pressure on shareholders and they could put companies out of business if they wanted to. Madonna could persuade people to stop wearing diamonds. You know how much power people like that seem to have.

**ANDREW KUPER:** I want to respond to that, but I think we are going to take a few questions, because I see a number of hands coming up. Then, hopefully, everybody will get a chance to talk, and then we will respond to all of those together.

**QUESTION:** I want to pick up on a point that was just made a moment ago about contractual obligations and thinking creatively about how to include some elements in contracts in order to push the self-interest where perhaps companies might not otherwise recognize it. That brings me back to the earlier conversation about having some common international standards that are widely recognized and thinking about enforcement mechanisms for that. It seemed to me there might have been a discrepancy in your responses to the two, so I was hoping you could explore it further.

In the context of the earlier comments about the Global Compact and other corporate social responsibility initiatives, I think an argument that some companies are recognizing is that there is in fact a proliferation of such initiatives of a voluntary nature, which often use different standards, many of them disconnected from human rights principles, and that can complicate their lives considerably as well. Many of those proliferating initiatives are disconnected from the reality on the ground when you do have human rights abuses connected to corporate activity.

So in thinking through that, there are some companies that can recognize a self-interest, and yet many that wouldn't without some sort of enforcement mechanisms in place. I would appreciate hearing your thoughts further on that.

**QUESTION:** I would like to throw in a concrete case, a company like Wal-Mart, which represses wages here and abroad through the participation of, even cooperation of, low-income consumers who are not really buying luxury goods. How would you deal with a company like that?

**QUESTION:** I wonder if you could tell us the names of some of the companies here or abroad who are doing well with this.

**QUESTION:** I fear, Peter, that your solution of an uprising of ethical consumers to impose human rights practices on corporations is a bit facile. You know, we live in a country where the link between consumption and poverty and the link between corporate investment and poverty is, if anything, systematically hidden. We live in a country where the ideology is well defended that our pursuit of self-interested consumption is as likely to have positive impacts as negative impacts on producers and workers elsewhere.

And, given the problems that other questioners have already raised about how do you create systems and standards and the flow of information that you suggested we needed in order for those ethical consumers to be able to make their choices, we are very far from that, and the system, it seems to me, is pushing us even farther away.

**PETER SINGER:** I'll have a go at some of these.

I agree that shareholders have responsibilities, and sometimes they do exercise those responsibilities. That is, there are some cases where there have been shareholder resolutions about issues relating to human rights. There have been other cases where there has been divestment by institutional shareholders and individual shareholders. I suppose South Africa and the anti-Apartheid divestment was probably the largest, and arguably the most effective example, but I think there have been others since that have affected particular corporations. So yes, shareholders do have responsibilities and should be encouraged to exercise them.

There are various corporations that have responsible shareholder committees. I don't know much about this in the United States, but certainly in Australia I was involved with responsible shareholder committees for a couple of Australian corporations, mostly ones with poor environmental records.

Do we need human rights enforcement mechanisms for corporations? I think we often do. I guess this is one issue that arose in what you were saying, Andy, that you were arguing that generally there will be benefits for

corporations through taking an ethical model and behaving ethically, and there will be increased trust and so on.

I think that may be true in some cases, but obviously it has to be balanced against increased costs that they may have through setting ethical standards in the supply line. Although I don't believe that the marketplace is totally efficient or anything like that, I suppose that if there were invariably clear-cut significant financial benefits to corporations being ethical, we wouldn't have the problems we have today, because I do think the market would have shown that and we would have more ethical corporations than we actually do.

There was a question here about the dilemma, which I think is a genuine one, with corporations like Wal-Mart, which produce "everyday low prices" by producing everyday low wages as well—and not only low wages for their employees, but constantly squeezing their suppliers to get lower and lower prices, which puts pressure on their suppliers to cut labor costs wherever they might be, whether they are in China or in the United States or wherever.

But on the other hand, it is true that Wal-Mart does produce lower prices and that actually its stores are disproportionately in parts of the country that have lower-than-average income. So it does produce savings for poorer people in the country.

I think that there is a real issue there. One of the things that is clear about Wal-Mart in this country, I think, is that they push off some of their costs on all of us, the taxpayers, by providing very stingy health benefit schemes and employing people who are often below the poverty line, and therefore their families become eligible for various kinds of public benefits. They are actually relying on the public purse to bail out those employees in various ways. I think that gives them, if you like, an unfair competitive advantage. That is something that ought to be resolved through enforcement at the national level, through requirements for health benefits. In fact, we should have a national health insurance scheme, which would take all of this out of the question of corporations paying wages anyway. But at least there should be some requirements that they pay their employees at a level that puts them above the poverty line if they have, let's say, two dependents or something of that sort.

There was a question about what companies are doing well. I don't know off the top of my head quite what to say about that.

I have worked with corporations in a whole variety of areas, not only in this area of human rights, but also about environmental issues and animal welfare issues. I have been involved in dealing with corporations since about 1980, when the first campaign was started against cosmetic testing on animals, which targeted Revlon.

So corporations do better on different issues. I think, for example, if you are talking about food, which is an issue I have been looking at here, Whole Foods does pretty well, although they are of course very expensive. It makes a nice contrast with Wal-Mart, who are very cheap and do pretty badly on most of these things. So maybe you could say it is a bit of a luxury.

But just to give another example—and this goes back to what I was saying about being involved in a responsible shareholder issue—probably the largest mining corporation in the world today, the Australian mining giant BHP, which is now BHP Billiton, has very significantly improved its record. I am not going to say that it is doing well on the whole, but is certainly better compared to when I was initially involved when I was living in Australia. There was a huge issue then about a mine they had in New Guinea called Ok Tedi, where they were basically just putting all the tailings in the river, which was killing off the river and harming those living in the villages downstream who were using the river for fishing and various other things. It was an awful situation. We had quite a bitter campaign, in which they defended themselves vigorously, saying that what they were doing was good for New Guinea and good for the people of the area.

I went back to Australia a year or two ago for a business ethics conference, and there was the CEO of BHP Billiton acknowledging that they had made

dreadful mistakes in the past and that they now had policies in place that meant that they didn't dispose of tailings in the river. So I think that they have made a difference.

That in a way relates to the last of the batch of questions, the gentleman who thought that it was a bit facile of me to hope for this uprising of ethical consumers. Well, certainly BHP was concerned about its reputation—and not, I guess, directly from consumers, because most consumers do not go out and buy large ingots of steel. But they were concerned nevertheless about their global and national reputation, maybe because it would harm them in doing business and opening up mines in other countries.

But even though you are right that in this country it seems more difficult than in most other countries to have educated consumers—and you could ask why that is—I still think it is possible. Andy mentioned Shell, for example. Consumers (mostly European ones) have made a big impact on Shell, both over Nigeria and even more clearly over the Brent Spar issue, which was the plan to dump some oil equipment in the North Sea, arguably creating environmental problems. There was an immediate and strong reaction to that throughout Europe that led directly to them changing their policies on that.

I have seen, as I said, in the case of animal welfare issues major corporations, like Revlon and Avon and Procter & Gamble and so on, change their policies on the basis of perhaps an unanticipated negative consumer response. Whether it actually happened in terms of boycott or not, I don't know.

You could say it is optimistic—I wouldn't object to that—but I do not think it is totally unrealistic to hope that by trying to educate our consumers further we can bring more pressure to bear on corporations to do the right thing.

**ANDREW KUPER:** Now I am seeing some areas of disagreement, so it will get interesting.

First of all, I definitely wouldn't agree with the argument that the market would have provided if somehow these business models really did work. I think there are a number of things going on.

Globalization and the information economy have shifted what the opportunity horizon is quite dramatically, and the attitude of multiple actors, from citizen organizations through to corporations, has often not kept up. So you could see for instance, in the case of the 4 billion consumers and producers who are significantly underserved, that companies operate on certain models, and those models are what have kept them going forward and forward. And then they come to the boundaries of their market and they say, "How do I expand?"

Here is a good case. Ashoka has an initiative called the Full Economic Citizenship Initiative, where we have been working with Cemex in Mexico, a very big cement company, to change how they are selling cement so that this goes to people and through distribution networks that they don't normally use, which in this case is a network of 75,000 women who have been involved in HIV/AIDS education. But these also happen to be the people in the slums who belong to significant groups and have connections, and those groups—led by a social entrepreneur—are working with Cemex and Ashoka to build non-slum cement houses. Now, this is enabling the corporation to sell a lot more cement. It's a whole new business model for them, and one that would have been very unfamiliar to them. But it has proven to be quite effective.

Of course, there is a significant lag when you move from one kind of model of an economy to another. But when you start having the best new economy companies like Google succeed, that changes the way that other companies are viewing things.

Secondly, another really big shift in the globalized information economy has been that a huge number of corporations outsource almost everything except marketing and managing their brands. If you look at Nike and similar companies, a significant amount of the activity that they actually do themselves is managing the brand. So if activists attack their reputation, then they really could have an exponential effect, because the bulk of the work as a company is not in fact in the manufacturing, but is in the brand management.



So that is a huge risk for them.

So that is the stick, but what about the carrot—we need to focus more on the carrot. I would say that this is a very important way to shift the way we are thinking about approaching corporations. That is, there is almost infinite capital available—\$3 trillion of capital flows daily—but it is all about what the risk ratio is. So if you can lower the risk and show significant ways to lower risks and create opportunities, then you are going to get corporations involved.

Let me mention an example. Supermarkets are notoriously tough, especially because when they are very big, like say a Wal-Mart-type of operation. We have a company called Pick 'N Pay in South Africa which is really huge. They dominate the supermarket economy. You'd think, "Well, how do you get these agents to be more ethical?" It turns out that Pick 'N Pay adopted a strategy where they bargained very, very hard with suppliers, but they were always known to adhere to certain values in the company.

Then someone very malevolent put poison into five items in Pick 'N Pay stores and tried to extort money from the company. The company refused on principle. After a few weeks of trying to resolve it quietly, they announced publicly that this extortion was going on, and that since Pick 'N Pay was known for its ethical fiber, it was taking the approach of fully informing consumers. You would expect their share price to drop dramatically. In fact, it went up a few days later, and consumers flocked to the stores to show their support for this. The consumers and suppliers did not desert when there was a dip later in Pick 'N Pay's life cycle. So you can see that if you have instances like this of risk being managed, really a major risk to a company like that, you start changing the structure of things.

But as you say, who are these companies? We don't know enough about who they are and it is not marketed well enough. The more ruthless, "nice guys finish last" success stories that are generally short-lived and appealing are the ones that get marketed. There is a real failure here, in terms that there are pilots, there are models, but people don't know about them enough and so the paradigm is not shifting enough. One of my roles at Ashoka is to help shift this perception, for instance by disseminating the ideas—including the new business models—of the world's greatest innovators in this regard, through a DVD series called The Social Entrepreneurship Series, that we'll be releasing shortly.

**QUESTION:** This has been an interesting discussion. It is on very different levels. It began with a discussion of the sorts of principles, and then of principles versus strategies, and then it has been mainly on the content of the strategies. So I want to first go back to the principles about human rights or doing something because it is the right thing to do, which I think is what Peter Singer was saying.

I actually think the human rights approach is not very convincing. The object here really is to build a coalition to do the right thing. I think you would have a harder time convincing people that they should do X because you have a right to do it—a right to employment, a right to health, and so on. Particularly in this country, it is probably more convincing if people can derive the right thing to do from their religious beliefs, or at least we think so from what the media says. Okay. So that's on the principles. Obviously, I am not that interested in the principles; I'm interested in what works to build the coalition to get the right thing done.

Then the strategies. I am actually not impressed with the success stories. NGOs that work hard and journalists that expose pollution and corruption and so on— that's good but it is not enough. I think ultimately you need legal protections and in some cases international treaties. It is not easy, but I think ultimately that is the way you have to go.

I was thinking about the question of bribing government officials. For some reason, 1976 sticks in my mind. I think that is when Jimmy Carter had it adopted into U.S. legislation that U.S. enterprises would violate the law if they bribed foreign governments to get contracts. Whereas in Europe it was not only legal, it was a tax-deductible expense. This lasted until around 2000,

when [OECD](#) adopted this other approach.

And so the question then is also: Why does it take so long? It seems to be pretty obvious that you shouldn't bribe government officials in order to get a contract.

I guess the bottom line is to come back to the principles. Even though I think you want to end up with laws and treaties, people generally have to believe that they are the right thing to do. In other words, laws for the most part have to be self-enforced. But then you want the state to make sure that those who do not follow what is proper behavior would be punished. I think that is the strategy you need and all the other stuff is just sort of working in the build-up towards that other thing.

**ANDREW KUPER:** Do you want to respond to that?

**PETER SINGER:** Sure. I am very sympathetic to what you are saying. I don't think I was really disagreeing. I certainly agree with the point that ultimately it is a question of our ethical obligations. As I said, I don't think it is fundamental to talk about rights. I think it is important that we are talking about simply trying to avoid things that are causing misery throughout the world. Poverty is one of them, along with bad working conditions and environmental damage.

And yes, if we can get international treaties, I think that is an excellent way of doing it. It is also, as I guess you yourself said, very difficult to do. But probably, ultimately, that is what we should work towards.

In the book I wrote on this a couple of years ago, [One World](#), I was talking about moves towards greater global governance. Not exactly world government, which is perhaps too Utopian, but nevertheless about the idea that we could have some of these standards, whether they are human labor rights standards or environmental standards, built into global trading agreements, and WTO-type agreements or the ILO conventions could be part of that. I would certainly think that would be a huge step forward.

But it does seem to me also that we are a long way from achieving that at the moment, and that is why there are other things that I talk about, through NGOs and through aid agencies, that we can do right now. They are not going to solve the whole problem—of course not—but they do make a difference. They make a difference at the village level and at the individual level, and that is definitely worth doing. I think we have to get away from this sort of mentality that if you can't solve the whole problem then there is nothing that is worth doing, because obviously we are making a big difference to particular human individuals, even if we are not solving the whole problem.

**ANDREW KUPER:** I guess my response is also that I don't see that there is a fundamental disagreement, in the sense that I think we are both saying that human rights language on its own may not be as effective, and that a responsibilities-based approach to human rights—and you could take it to interests, or however you would like to couch it—is more effective. That is, that instead of saying "Somebody must do something," we say, "There is a certain responsibility and it vests in certain agents."

Religion is a very good case in point. Interestingly enough, the evangelical lobby on Darfur is extremely strong. One of the powerful things about the responsibilities discourse is that it can apply across the board; it can be derived from multiple ethical traditions, whether they are religious or non-religious. So you don't have to look for necessarily human rights in the teachings of this religion or that; you can look to a responsibilities approach and so frame human rights in the appropriate way. That's the first thing I would say.

The second is that, in fact, your OECD story about anti-bribery is a case where Transparency International was central to achieving that objective of getting people to sign on to the OECD. Now, if you had just waited for states to come up with treaties and laws on their own and pursue them on their own, it would have taken a very long time.

But secondly, I think that there is a fundamental disagreement here about the nature of global governance now. That is, if you look at some of these claims of the hundred most powerful economic entities in the world, fifty-one are

corporations, and only forty-nine are states. So the idea that somehow you are going to get states to regulate everybody else through settled law of states seems to me a mistake. Power is just more diffuse than that now.

I don't think the old UN model works completely. I think that there is going to have to be regulation of these different agents of each other. Madison famously said that the first thing you have to do with the governors is enable them to control the governed, and the second thing is enable them to control each other.

One of the things I think we need to think much more carefully about—and this is what my other book is about—is how you can structure a system where NGOs or citizen organizations are trying to control corporations, and corporations are trying to control states, and states are trying to control corporations. But there is a separation and a balancing of these powers. We need to think much more along those kinds of lines, how each can hold the other accountable, than in terms of some vain hope that one day the state will come along and fix the legal situation and be able to enforce it.

I think there is one more question.

**QUESTION:** Peter, I was just thinking along the lines of how you began, with the story of walking by the pond and the child in the pond. It seems to me that there are a number of different ways of thinking about the issue of moral responsibility.

One of the things that comes to mind is inapplication. Adam Smith has that famous story in [The Theory of Moral Sentiments](#): if there is an earthquake in China, you know it is going to happen tomorrow, and hundreds of thousands of people will die, and you are also told that your pinky is going to be cut off, it will be the pinky that will keep you up at night.

The next thing is people consume all sorts of luxuries in addition to the luxury of soft things and so on. It's the luxury of having more kids, for example; the luxury of time and not earning more money that you could have used another way.

The third thing is I was just reading [an article on Bono in The New York Times Magazine](#). He is working very hard to move and release the debt of billions of dollars for Africa and increase the distribution of antiretrovirals and so forth. But they also made a point that he really likes a good bottle of \$1,000 wine. I'm wondering how do you include all of these aspects in formulizing your own personal ethical conduct?

**PETER SINGER:** I think Andy said we are supposed to be winding up soon. Obviously, I could go on for an hour or two about all of those issues.

I think the point about whether we are more concerned about the loss of our little finger than an earthquake in China is a psychological point. We might recognize that that's the way human nature is, but that is not an excuse for us. We still have those choices. Even if we know that, like most people, we are going to be more concerned about losing our finger, we can still make the choices and we can still write the checks, and there is nothing that physically prevents us from doing that. People do it to varying degrees. It is still possible for us to do it.

Where exactly you draw the line is really hard to say. Personally, on that example, I could not possibly enjoy a \$1,000 bottle of wine if I knew that for \$10 I could have a drinkable bottle of wine and the other \$990 could really do a lot of good somewhere else. But you might say, "Look, if someone like Bono has dedicated the last couple of years of his life to doing these things around the world, well, you know, a little bit of indulgence here or there is forgivable." Okay. I'm not going to be hard on him because of that, given all the other things that he has done.

It is not a matter of being fanatical. I am not the kind of moralist that says, "Anyone who deviates, falls into sin the tiniest bit, is therefore tarnished and we don't want to know them, we want to condemn them." I think you have to accept human nature with all its frailties, and encourage those who are doing more, and perhaps encourage them to do even more, but certainly by

encouragement, not by harsh condemnation because they don't live up to some very severe standard.

**ANDREW KUPER:** Can we ever do enough in your view?

**PETER SINGER:** Well it's pretty hard. If you are readers of *The New Yorker*, you might remember an article called "[The Gift](#)," [Aug. 2, 2004, page 54] about a Philadelphia man called Zell Kravinsky, who made \$30 or \$40 million through real estate dealings and gave virtually all of it away, so he lives in a modest suburban home in Philadelphia. He then decided that that really wasn't enough, learned that there were people dying on waiting lists in Philadelphia hospitals, waiting for kidney transplants, and donated his kidney to a stranger. So I think you would have to say probably Zell Kravinsky is doing enough.

**ANDREW KUPER:** Well, I am afraid we've kept you five minutes past the time. Thank you all very much.

**Related Resources:**

- [Global Responsibilities: How Multinational Corporations Can Deliver on Human Rights](#) (Audio)

**Read More:** [Development](#), [Ethics](#), [Human Rights](#), [World Economy](#), [Ethics](#), [Ethics in Business](#)[Global Economic Justice](#), [Human Rights](#),

**Event:**

0

Recommend

One person recommends this. Be the first of your friends.

**Showing 0 comments**

Sort by [Oldest first](#) [Subscribe by email](#) [Subscribe by RSS](#)

**Add New Comment**

Type your comment here.

Post as ...

[blog comments powered by DISQUS](#)

Transcripts have been edited for grammar and clarity, and are posted with permission from the speakers.