



Is a Fairer Globalization Possible?

Mary Robinson , Kemal Dervis , Stephen Macedo , Gideon Rose

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Panel on Fairer Globalization

Cosponsored by the New York Society for Ethical Culture.

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Introduction

TONY HILEMAN: My name is Tony Hileman. I'm the Senior Leader of the [New York Society for Ethical Culture](#), and I welcome you to our home and to what promises to be a fascinating experience this evening.

Although you may know tonight's distinguished panel and our cosponsors this evening, I suspect that Ethical Culture is not as well-known to you. The New York Society for Ethical Culture is the founding society of a proudly progressive movement that has been so since its inception 129 years ago. We are humanists, and as such, we place our faith in a demonstrated capacity of people to do wonderful things. We stand for the worth and dignity of all people and seek to respect and protect nature, of which we are a part. Our conviction is that we must conduct ourselves and the business of our institutions in a manner that elicits the best in and for everyone.

Our members have a long and storied tradition of activism and advocacy on civil-rights and human-rights issues. That tradition continues today. Among other things, our community stands for the separation of church and state, for a woman's right to choose, and we oppose the death penalty.

One of the commitments we ethical culturists make to ourselves and to the world in which we live is to continuously educate ourselves and others in ways that enable us all to act more considerately and humanely.

Membership in our community is open to all who share our values and aspirations. I invite you to learn more about us by checking us out on the Web at nysec.org.

This is a grand landmark building that houses, in addition to many activities like this one, a woman's shelter and other social activities, philosophic and ethical forums, concerts, and other activities too numerous to mention.

ETHAN KAPSTEIN: Good evening. On behalf of the Carnegie Council and its president, Joel Rosenthal, I would like to welcome you to this event, *Is a Fairer Globalization Possible?*

Around the world, we have heard and seen critics of globalization attack international institutions and boycott multinational firms. Less dramatically but perhaps equally influential, economists have raised questions about the consequences of globalization on income inequality and poverty and on economic development in the world's poorest nations.

Alongside this widespread debate, we have heard numerous recommendations for harnessing globalization or ameliorating its negative effects. In order to address the issue of whether a fairer globalization is possible—that is, a globalization that advances the interests of those who are most vulnerable to economic change—the Carnegie Council launched, with the support of the [Rockefeller Brothers Fund](#) and the [Ford Foundation](#), the [Global Policy Innovations Project](#) (GPI) in 2004. GPI aims to bring together a diverse group of stakeholders from both industrial and developing countries for meaningful dialogue about globalization and its alternatives. Through a series of structured meetings like this one tonight, GPI has heard hopeful proposals that could advance the cause of poverty reduction, the generation of decent work, and the inclusion of developing countries in global governance.

But beyond the articulation of specific proposals, GPI is concerned with fundamental questions of political process, of democratic deliberation and political legitimacy: Is globalization enhancing or constraining the ability of stakeholders to get their views on the international policy agenda? Why do certain policy proposals achieve legitimacy while others are dismissed?

At GPI, we are exposed to no shortage of ideas about how the world should work and what politicians should do. The challenge, however, is to understand the process by which "should do's" become "can do's."

In all of this, we believe that there is a fundamental ethical dimension at stake—thus, the ultimate rationale for the Carnegie Council's engagement. While the Council is nonpartisan and takes no position on the great issues of the day, it does believe that responsible viewpoints should be aired and debated, that options should be discussed and not foreclosed. We believe that those with the least voice in policy should also be heard and that political decisions should reflect their interests no less than those of the high and mighty.

Tonight we bring you a distinguished panel to discuss globalization and its consequences for political debate at both the international and national levels.

Allow me to turn the evening over to Gideon Rose, managing editor of *Foreign Affairs*.

Panel Discussion

GIDEON ROSE: We have an extraordinarily impressive panel here tonight, and a rare opportunity to hear people who not only have thought about these issues a great deal, but have engaged them in their practice and in their lives.

The subject, *Is a Fairer Globalization Possible?*, is quite new in some respects. It is as new as the technological developments that we see and use in our daily lives. It is as new as the global span of consciousness that we have before us. But it is as old as capitalism itself. The basic issues at stake were best sketched out by [Karl Polanyi](#) well over a half a century ago, in the concept of a movement both of markets and against markets, a movement towards capitalism that enables the free exchange of goods, services, and products, and benefits humanity, but also the protection and the response to that by a society that resists change, resists being eroded, resists the destruction of community, and the rapid pace of change in people's lives.

To a certain extent, in the West at least, the advanced, industrial West, we developed responses—welfare-state capitalism, some variant of social democracy—that helped moderate the swings that were characteristics of capitalism. But we have not done so on a global scale. Some of the questions we are now grappling with are how we can and should deal with capitalism on a global scale. How can we protect society and at the same time reap the benefits of markets? How do you manage to pull that off when the economic and political groupings do not precisely overlap and the institutions that exist economically are not the same that exist politically? How, on a global scale, do you manage capitalism, global governance, global democracy, when we are still organized, at best, at the national level, except for a very few institutions above that?

Kemal Dervis, our first speaker, is currently the head of the United Nations Development Program, the UN's global development network. He has had a long and impressive career in Turkish politics and in development work. He was a member of the Turkish Parliament, representing Istanbul, during which time he was a representative to the constitutional convention on the future of Europe, before serving as minister of economic affairs and the treasury. He has been a professor of economics at both Princeton and Middle East Technical University, and has held many positions inside the World Bank.

It's hard to come up with a résumé and a set of experiences that are better-suited to grappling with all the various aspects of this phenomenon. Yet in the same league, we would also have to put **Mary Robinson**, who has had an extraordinary career as an academic, politician, and activist. She was the first woman president of Ireland and the High Commissioner of Human Rights for the United Nations. Mary is currently the president of [Realizing Rights: The Ethical Globalization Initiative](#). She has not only served as an academic, a legislator and a lawyer, but has spent her life examining and furthering human rights in theory and in practice, both in Ireland and globally.

Finally, **Steve Macedo** is the director of Princeton University's University Center for Human Values and the Lawrence Rockefeller Professor of Politics. He is one of the country's most eminent democratic theorists, not just a spectacular teacher and author, but somebody who has pondered some of the great questions that these issues throw up in their most abstract and recondite forms, as well as in their practical realities.

We will have a short presentation from each of the speakers. I will then ask a few questions and engage some discussion before turning it over to questions from the audience.

KEMAL DERVIS: A big part of the history of the twentieth century was to make capitalist outcomes acceptable from an ethical and political point of view. [John G. Ruggie](#) has called this the embedding of market mechanisms in democratic political institutions.

For a good part of the late nineteenth century and twentieth century, political struggles had to do with ways to achieve this. There was some radical refusal of markets on the extreme Left, and also on the extreme Right. But in the end, the advanced richer countries in the world did reach the social liberal synthesis, which doesn't mean that everybody agrees on everything, but, nonetheless, there is an overall framework whereby markets are accepted as drivers of innovation, of basic resource-allocation mechanisms; the private sector is accepted as a driver of growth. But these markets are embedded in political and social institutions, democratic mechanisms that reallocate some of the incomes, that regulate these markets, particularly with regard to competition, and that alter outcomes to make them acceptable to societies.

Different societies have different balances in terms of how markets are regulated. Some societies emphasize more redistribution, while others—like the United States—have always put a strong emphasis on the need to have competition in these markets. But whichever way they do it, they do embed these market mechanisms in democratic political institutions.

It is true, however, that many developing countries are only at the beginning of this process. So when we say that there is a fairly broad social liberal synthesis on which most people agree, we are referring mainly to the advanced countries. The whole debate on how to embed markets and on markets themselves is still not quite at that stage in many of the developing countries. Nonetheless, the synthesis, particularly after the fall of the Berlin Wall, has become worldwide. From Tokyo to Moscow, to London, to Istanbul, to S?o Paolo, people agree that markets are needed, but also democratic institutions that embed these markets.

[Fukuyama](#) has called this the end of history, that having reached this point, "history" will be witness to technical arguments and innovation, but no longer to a grand ideological debate as in the nineteenth and twentieth centuries.

That is not quite the case. The reason that we are not at the end of history, in this ideological sense, is

because of globalization and the way it poses new challenges to the synthesis and takes away the framework that existed at the level of the nation-state to embed markets.

Some people argue that the globalization that we have lived in the last two decades is a replay of what was already there at the end of the nineteenth century. Some would even argue that it might be reversed and that one shouldn't exaggerate how different the world is today compared to fifty or a hundred years ago. I don't agree with this view. It is true that when you look at some indicators, the world was very economically globalized at the end of the nineteenth century. For example, the ratio of trade to GDP or even the amount of foreign investment was very high. In fact, the levels reached at the end of the nineteenth century were as high as or higher on some of these indicators than what was reached until the 1990s.

But the nature of globalization has changed tremendously. It is not just a question of trade/GDP ratios. It is the kind of trade, which is increasingly based on globally integrated production circuits. It is not just raw materials being transported to be transformed in advanced countries and then re-exported to developing countries. It is a much more advanced way that multinational corporations and international capitalism integrate production processes. A bicycle that is produced in California has components, usually, from fifteen to twenty different countries.

The other side is the financial markets which are much more integrated, not just in the sense of investments abroad, but in turnover in any one day and the ability to shift funds in a matter of seconds from one place to another, creating a degree of integration in the world which never existed before.

Then the whole communication aspect, cultural aspect, the way we interact with each other, is another dimension of why today's globalization is quite different from that at the end of the nineteenth century.

This globalization, particularly on the economic and financial side, has indeed undermined the ability of nation-states to regulate and embed markets. The extreme mobility of capital and also the fairly large degree of mobility of skilled people make it very hard for governments at the level of the nation-state to achieve results which, if they just listened to their own political constituencies, might seem desirable.

Another element is the interactions and externalities across borders, in areas such as the environment, disease, global warming, and all these matters that make the world so extremely interdependent.

We now have international capitalism and international markets which can no longer be regulated and altered, in terms of their outcomes, the way it was possible to do only twenty or thirty years ago. This is indeed, a challenge for democracy at the level of the nation-state, because these markets make it very easy for capital to change location, if certain laws are changed in a way that very mobile capital doesn't like in a particular country. Corporate tax rates cannot be raised significantly in one country, because capital will simply migrate to those locations with lower corporate tax rates.

There are impediments to relocating capital. Other elements in a society maintain influence over where production takes place. But with every year, we find that these elements are weakening, and capital becomes more footloose and able to relocate production and activity from one place to the other.

The sense of being unable to achieve democratic mandates is being felt throughout the world, much more strongly in smaller countries than in very large countries; less in the United States than in Europe, and less in Europe than in some of the smaller developing countries. But it's a global phenomenon, and provides a major challenge to the whole notion of democratic embedding of market outcomes.

The big challenge in the first half of the twenty-first century will be to find international mechanisms to embed markets and to regulate capitalism that parallels mechanisms that were put in place in the twentieth century at the nation-state level.

Having said that, I want to come back one step and again underline that developing countries in the poorer parts of the world have to deal with a double challenge. They hadn't even yet fully finished nation building, and they hadn't been able to construct the social liberal synthesis in the way that the advanced

countries were able to do, particularly after the Second World War—emerging from colonialism, building new nation-states. And just when these nation-states are about to become real nation-states, they are now in a new phase of history where global markets and globalization disempower them. One explanation for the antipathy and reaction towards globalization in many developing countries is that the difficulties for the nation-states which are so new are much bigger than in the advanced countries. Globalization is seen as disempowering national independence, the ability to control outcomes, their own democratic systems which they have been fighting for centuries for.

The equivalent of the regulating mechanisms of the nation-states and the advanced countries at the global level is global institutions, many of which have been conceived to have some of the regulatory role, some of the redistributing role that the nation-state has at the national level.

However, at the global level, we do still have to live in a world where the individual constituent units will be nation-states, some of them very strong, others very weak. But we are definitely very far away from a world where we could somehow replicate at the global level what has happened at the national level. We will not have, in the foreseeable future, a world parliament, congress, or senate that could play the role of the U.S. Senate, the Turkish Parliament or the British House of Commons. We will live in a system where this regulatory function will have to be fulfilled by organizations which are still very dependent on nation-states.

One of the challenges here is the whole meaning of democracy at the global level. Some would argue that, similar to the national level, global democracy has to be based fundamentally on the one-person/one-vote principle. Others see global democracy as one nation/one vote, one country/one vote. The UN General Assembly is based on a one-country/one-vote principle. The General Assembly does not have many powers in the UN compared to the Security Council. So the one-nation/one-vote principle that is operational at the General Assembly level doesn't translate into much real power indecision making.

One dimension of international regulation and working together is that each nation has to participate in some way, and that is very important.. Another dimension, however, is that China or the United States or India cannot have quite the same weight as Malta or Qatar or Barbados. If only the one-nation/one-vote methodology prevailed, as in all matters, disregarding population size, we would not have a reflection of global democratic principle.

Another dimension of the problem relates to resources. International institutions can fund global public goods and fight against global public bads with resources. Those who contribute more resources to the system are asking to have more of a say in what happens to these resources.

So we are facing the challenge of building the kind of international democracy that reconciles these various tensions and requirements. One cannot proceed in an extreme way in any one direction.

The European Union example is a good laboratory of global challenges. Although the constitution was rejected by the voters in France and the Netherlands, the whole debate provides good lead points into the more global debate about global governance. For example, the European constitution had the provision of a double majority vote for certain decisions, where, to have a decision passed, you would need both a certain percentage of the number of countries in Europe and a certain percentage of the total population of Europe. Only if you had the double majority would the decision pass. We must find ways of building institutions and legitimate mechanisms, which bring together these different dimensions and help us embed markets at the global level.

One of the biggest problems we face is that in looking for these solutions, we may all tend to look back and work within the categories and frameworks of the past. In fact we may need to break out from these frameworks and invent new multilevel forms of governance and democracy, which are not simply reproductions on a continental or global scale of what happened at the nation-state.

The interaction between civil society, parliamentary and bureaucratic networks, and political parties will take us to a more advanced form of global democracy, without necessarily having a global nation-state,

or even regional nation-states, on the old model. Europe, for example, may, in the end, need the type of governance where you have very different levels and different types of cooperation between these levels. You may also have groups of countries getting together to form supranational decision-making mechanisms without others necessarily having to join them on those issues.

The question of borders also comes in here. We may have regional units and cooperation frameworks with flexible borders. You may be part of one cooperation framework on a particular issue and part of another on a different issue.

By thinking in a more "out of the box", multilevel way about governance, we may be able to make progress.

MARY ROBINSON: Kemal Dervis has given us a very thoughtful and insightful sense of what we mean by the processes of globalization. I want to come to what is part of our real subject here this evening: Can we have a fairer globalization? What do we do to make it fairer and to bridge democratic deficits?

At the beginning of this century, we were very focused on the new millennium. The General Assembly met in September 2000 and adopted the Millennium Declaration, which conveys the strongest sense of 189 countries, through their leaders, coming together about what the world would need in this new century. The leaders committed themselves expressly "to make globalization work for all the world's people."

That is a fairly straightforward statement, but we know that it is not the reality. Yes, globalization can help countries that are geared to benefit. Countries like China and India, for example, have pulled millions out of poverty by participating in this market-oriented economic globalization. But African countries and some other poorer countries have not been able to benefit. [The U.N. Human Development Report](#) indicated that during the 1990s, fifty-four countries got poorer, and statistics of life expectancy and child mortality worsened with the HIV/AIDS pandemic.

But it is quite clear that divides are widening between those poorer countries that aren't benefiting and others, and also the divides within countries are becoming wider. There is a huge gap between the wealthy and those who are trying to make a living on a very low minimum wage.

When I finished my term as UN High Commissioner for Human Rights, I was interested to see what the human-rights community could offer to address this problem of gross unfairness, of unacceptable divides, and of a poverty which is itself a terrible violation of human rights, and a violation of commitments that governments have made under the international human-rights system. Article 1 of the Universal Declaration states, "All human beings are born free and equal in dignity and rights." If you are homeless and very poor, part of the problem is that you are also invisible and that you are not respected, that you find it very hard to have your own self-respect. So putting "dignity" before "rights" conveyed a very strong meaning in the Universal Declaration.

Then those rights were spelled out to include not just fair trial and freedom from torture, freedom of religion, freedom of the press and of assembly, but also the right to food and safe water and health and education and shelter. Yet those rights are not respected when we have more than 1 billion people living on less than a dollar a day, when we have people living in situations where they and their children wake up hungry, where they don't have access to safe water or sanitation, where every day is a battle to survive, and it is often worsened by situations of conflict or natural disasters.

We are not in any way fulfilling the commitments that governments made, not just under the Universal Declaration on Human Rights, but under the other six core human-rights instruments: the two covenants, on Civil and Political Rights, and on Economic, Social, and Cultural Rights, which the majority of countries in the world have ratified; the Convention on the Rights of the Child, which every country in the world but Somalia and the United States has ratified; or the Convention on the Elimination of Discrimination Against Women, which 180 countries have ratified, excluding the United States.

These instruments require member states to commit to safeguarding and protecting the rights of their

citizens and those within their jurisdiction, and, in the case of economic and social rights, to progressively implement, without discrimination, within existing resources. It does not require governments to do what they are unable to do. But in the international instruments, there is also an obligation to assist each other to achieve the purposes of these covenants and conventions.

Interestingly, when the Universal Declaration was adopted and these instruments were agreed to at the UN level and then signed and ratified by a majority of governments, the main focus of the obligations undertaken was that it was states that had the responsibility to protect and promote human rights. There is still no doubt that states have the primary responsibility, but, as Kemal Dervis said, power has shifted to market forces, to multinational corporations.

Today, we have an interesting discussion about the responsibility of business, particularly transnational corporations, for human rights—not to displace the primary role and responsibility of governments, but a responsibility within the sphere of influence of corporations.

How is it possible to use a human-rights analysis of globalization to come to a fairer, more accountable, more democratic globalization?

Just three years ago now, I founded a small program, initially called the Ethical Globalization Initiative. Now it is called Realizing Rights: The Ethical Globalization Initiative. We would like all people born into the world today to know of their birthright and recognize that they have human rights, because they have been guaranteed by the vast majority of countries. Every single country in the world has ratified at least one of these international instruments, and the Universal Declaration has been agreed over and over again, including in the Millennium Declaration and in the recent UN summit.

But we know that millions and millions of people are unaware of their rights. Millions of women have no knowledge, despite the Beijing conference, that women's rights are human rights, and that they actually have any kind of rights.

Secondly, those with power should realize the rights of everyone. We are talking about international organizations, like the UN, the World Bank, the IMF, and the WTO. They have power and responsibility. We are talking about governments. I would still put them in the primary place, to protect the rights of those within their jurisdictions. Then you have multinational corporations. You even have a duty that, unfortunately, the international community hasn't tended to emphasize enough, contained in the Universal Declaration of Human Rights. Article 29 states that everyone owes duties to the community, without which you don't reach the full potential of your personality.

It's not a concept that is normally associated with the way in which we have thought about individual human rights in Western countries. It's a concept of solidarity, which is closer to the *ubuntu* principles in Africa, or Asian principles of solidarity or principles in parts of Latin America. But it's an interesting thought that it is not just governments, corporations, and international institutions, but all of us who have duties to the community.

In determining that we would try to bring a human-rights lens—including a strong gender perspective—into the issues of globalization, we chose three areas: trade and development, health, and migration.

We are working with three institutional partners: the Aspen Institute, Columbia University, and in Geneva, the International Council on Human Rights Policy.

In my capacity as honorary president of Oxfam, my colleagues and I link very closely with the work of Oxfam in developing countries, with a particular focus on Africa.

We work with business groups and various partners. One area that we are particularly focused on is the need for a true development round in Hong Kong, as was promised when negotiations started in Doha. This development round is vital because trade is more important and sustainable for developing countries in seeking to work their way out of poverty than development aid. The leadership and civil society in

developing countries want to work and trade their way out of poverty, and not be dependent indefinitely on aid from richer countries.

So how do we make the link? We have tried to show the direct impact of agricultural subsidies on the poorest in very poor countries. I led delegations to illustrate the impact of subsidies on cotton and on sugar, two of the key issues that need to be addressed in Hong Kong. We went to Mali in December 2004, and we went out into the fields, where women were picking cotton. In a ditch beside them were babies, half-shaded by a tree and minded by older children, because nobody was at school. We talked to the women, and they said, "The price of cotton has fallen." "Why?" "Because of the subsidies of this country."

In that particular year, 2004, US\$4 billion in subsidies were going to approximately 25,000 producers, and most of it to 8,000 producers. The impact in Burkina Faso, Chad, and Mali is devastating and getting worse.

In March 2005, we went to Mozambique, with some European parliamentarians and Oxfam colleagues. We saw the beneficial impact of the development of sugarcane production. Four of the six factories had reopened and were at about two-thirds production. The factories were helping local villages to do their own production and get a cash crop. The women were able to tell us how important it was, but they were worried about what the European Union would do—and rightly so. If current EU proposals go forward, it will be devastating for Mozambique and many other African countries, unless there is an action plan that helps them to continue on a development path. They need time, and reasonably stable prices.

The EU is dropping the price dramatically and will help farmers within the union. There are small beet producers in the west of Ireland who are very inefficient, in part because of the heavy subsidies. Until now, they were able to make a good livelihood, even though their sugar production was not nearly as efficient as in Mozambique. They will receive some compensation, but there's nothing like the same compensation on offer for the poorest countries.

So these women, who have been able to send their children to school, who have been able to afford minimal health care, will slide back into being too poor to send their children to school, or to afford basic health care.

We are also seeking to work with a wider circle of partners, to ensure that the trade talks are not a narrow technical trade negotiation. One of the former trade negotiators, Grant Aldonas, put it very well. He said, "You cannot negotiate a development round the way you negotiate a trade round." But that is just what's happening.

We need different models of working together in a multilateral, multi-stakeholder way. I have participated for the last two years in an initiative of Finland and Tanzania, which have given extraordinary leadership. The foreign ministers of the two countries led a process with four strands.

They brought together twelve core governments, including the two lead countries, balanced between north and south. In Europe, you have Hungary, Spain and the United Kingdom, as well as Finland. In Asia, you have India, Malaysia, and Thailand. In Africa, you have Algeria and South Africa along with Tanzania. In Latin America, you have Brazil and Mexico. Canada is also a member of this process, and Sweden supports it, not having been a member of the original twelve. It was deliberately chosen to be north/south-balanced.

Then there was [the Helsinki Group](#), a broad range of twenty individuals spanning institutions. There was a representative of the World Bank; the head of the Brookings Institution, Strobe Talbott; Ann Pettifor of Jubilee 2000; Martin Khor of the Third World Network; Peter Sutherland, a well-known Irish businessman. We discussed how we could agree, not on a kind of theory of globalization, but on a process to implement the commitments that governments have made that would lead to a fairer globalization.

But what we lacked was implementation. The Helsinki process also had an academic element, which looked at global governance and was very critical of the lack of fairness in global governance.

I take issue with one way in which Kemal Dervis described it. He said you can either have one vote/one person or you can have one country/one vote. I am afraid that in our international financial institutions, it is one dollar/one vote. The more dollars you have, the more votes you have. That is part of the problem, for example, with the World Bank and the IMF. The built-in inequalities in the international institutions need to be addressed.

The initiative also looked at the global economy and footloose capitalism, which can be very disruptive, and ways to have more accountability. It examined human security, the issues of conflict and how to address the post-9/11 world in a way that would be fairer and uphold our standards of democracy and human rights.

There is even the link of civil societies, starting with NGOs in Finland and Tanzania. At a recent meeting in Helsinki, we brought this process to an end of its first phase.

We will seek to have a practical implementation that mirrors the model through which we arrived at a landmines convention. When this was being negotiated in the traditional way, it was clear that some countries would not agree on a landmines convention. So Canada and other countries said, "Let's go ahead with the countries that can agree, with strong NGO participation, with the support of the UN, etc.," and we got a landmine convention, which has made a huge difference in addressing the problem of removing landmines, of not having any new mines in the participating countries.

We need a multi-stakeholder movement for implementation that harnesses existing energies and that recognizes that governments alone are not able to move the agenda to make a fairer globalization. We need these new models of multi-stakeholder participation that recognize that we all have a responsibility and that the more power an entity has, the greater that responsibility.

STEPHEN MACEDO: The questions we have before us are extremely large: To what extent are current patterns of globalization, meaning both trade and the proliferation of forms of international governance, characterized by a democratic deficit? To what extent is globalization proceeding in a manner that is unfair and unjust? If there are practical problems, what should we do about them?

I come to you not as a scholar or expert in international affairs so much as a student of democratic theory and practice. I want to ask about this question involving a democratic deficit in global institutions.

There are two extreme positions that we could mark out, at least in intellectual reflections on these issues, and a broad middle position that the people on this panel represent.

The extreme positions, which are not represented on this panel, would see radical shortcomings in current patterns of globalization, some tendencies in global institutions. On the Left, there would be those who would argue that the international movement in capital and people has made the nation-state pass?, that we need new global institutions, no longer dependent on nation-states; to create representative institutions to directly represent people's interests at the global level, to replicate on a global scale some of the sorts of institutions that we see in nation-states, to create far more cosmopolitan global democratic control; perhaps to create a fairer distribution of the world's income.

The other position is not represented here, but it certainly is powerful in our country, primarily, on the Right. This would be the position of critics of international institutions, including human-rights conventions and much international law and courts, who argue that cosmopolitan, liberal elites in the United States and abroad are using these institutions to undermine and corrupt national sovereignty. In its most sophisticated versions, national sovereignty is meant to stand not only for American insistence on making its own decisions about its own security; it also stands for the integrity of our democratic community, for fidelity to our constitutional tradition. Democracy, in this view, can only flourish within the boundaries of a nation-state.

This position has been stated elaborately by Cornell professor [Jeremy Rabkin](#). It reflects the ideas that have been put forward by [John Bolton](#) and positions that are strongly represented in the current

administration.

I sympathize with many of the aspirations of cosmopolitan idealists. I strongly sympathize with the views that have been represented by my predecessors on this panel. But the advocates of national sovereignty have at least a part of truth on their side and an insight that must be taken into account. It is possible for cosmopolitan idealists to too quickly dismiss the nation-state as pass? and to too quickly proceed from the fact of global trade, global movement of people to the conclusion that national communities are pass?.

Cosmopolitans are not all on the Left, and advocates of the moral significance of traditional national communities are not all on the Right. There is a cosmopolitan globalist Right, which is pro-free trade, in favor of open borders, the free movement of labor, and against extensive domestic social welfare provision. That is the libertarian Right, the Right of [Milton Friedman](#) and *The Wall Street Journal*.

To get closer to my own sympathies, there is also a pro-national community, Left, which argues that indeed full-blown ideals of democracy, the fullest realization of ideals of democracy and distributive justice, are bounded and will continue to be bounded within political communities. No less a philosopher than [John Rawls](#), the most important liberal political philosopher of the last 150 years, argued in *The Law of Peoples* that obligations of distributive justice apply within political communities and not across the borders of political communities. He argued that we have special obligations to our fellow citizens, in spite of the facts of globalization that we have had recounted.

[Michael Walzer](#), [Thomas Nagel](#), and a number of other philosophers have echoed these claims. In Europe, [Fritz Scharpf](#) and various others worry that the EU and its neoliberal free-trade policies will undermine the mutual commitments that support the welfare state.

We do have special obligations to our fellow citizens, because we share extensive relations of collective self-governance. We are co-participants in a political order which rests on our consent, and the laws that we make, laws that govern our opportunities from cradle to grave, and comprehensibly shape each other's life chances. They do so very directly and, ultimately, coercively.

International institutions are important, and I support the expansions that have been mentioned by my predecessors on this panel. But they don't create the same interpersonal obligations as national communities. That is, in part, because international institutions don't govern individuals directly. They are creations of cooperating states, and they generally operate through states. They also do not have as extensive a range of responsibilities as states.

My basic claim is part of the tradition of social contract theory. It's part of the philosophy of the American founding. It is a progressive philosophy, which might be identified with the French philosopher, [Jean-Jacques Rousseau](#). Being co-participants in a system of enormously important, comprehensively broad law creates mutual obligations and demands for mutual justification within a political community. The strongest and fullest obligations of distributive justice and fairness arise from that relationship.

The position I defend—a moderate liberal internationalism—concedes the ongoing moral significance of self-governing communities, and it denies that globalization makes the traditional political community pass?. It concedes that much to the national sovereignists of the Right.

But it also denies that we are either morally justified or wise to renounce participation in international institutions. Indeed, the position I defend argues that, by participating in and seeking to improve institutions of global governance, we can fulfill important moral obligations, increase our influence in the world, and improve our own capacity to govern ourselves.

While our mandate for this panel was to offer advice to activists about which levers of improvement of international justice are most worth pursuing, one important agenda is to persuade our fellow citizens here in the United States that a more serious positive commitment to international institutions is something that is not only morally obligatory for the United States, but that would improve American self-governance.

Even on this moderate liberal position that sees nation-states as having an ongoing moral significance, we have important international duties and obligations. First and foremost are duties of humanitarian assistance of the sort that Mary Robinson has mentioned. We have an important obligation to lift up those who live in dire poverty. The horrible thing about our failure to fulfill these obligations is the very small contributions from national wealth that are represented by things like the [Millennium Goals](#).

We are not talking about impoverishing the United States in order to engage in massive wealth transfers in the name of equalizing the world's wealth. We are talking about a quite modest contribution out of aggregate national wealth to make a significant contribution to creating a humanitarian floor. These are no more than obligations of good Samaritanism, general obligations that we have to assist those in need when we can do so out of our surplus.

Beyond this, we have general obligations of fair dealing and cooperation in our trade and other relations. We do not have the right to simply throw our weight around in every conceivable way. The U.S. cotton subsidies have an appalling impact on cotton farmers in Africa—clearly unjustified sort of protectionism.

We have an obligation to engage in good global citizenship, understood as cooperative participation with other nations in endeavors to address collective global problems, such as greenhouse gas emissions. Participation in these obligations is not only part of our ethical responsibility; ultimately, it is part of prudential responsibility, our enlightened self-interest.

I agree with my co-panelists that we should seek ways to improve governance in international institutions. We shouldn't have utopian expectations about the democratization of international institutions such as courts and central banks that don't tend to be particularly democratically, directly accountable even in domestic regimes. When these are internationalized, there is no reason to expect that they will have a special democratic pedigree at the international level. International institutions in the EU tend to specialize in functions that are often delegated to relatively remote specialists, like judges and central bankers.

How do we persuade especially powerful countries, like the United States, to take participation in accountable global institutions more seriously? Extremely powerful countries can be virtually immune from international accountability, and we often seem to be in a position of seeking more rope to hang ourselves with, as in Iraq.

How can we make the case that there is something in it for the United States when it comes to global governance?

What the experience of the current administration increasingly suggests is that global accountability mechanisms, multilateral institutions can be good for domestic democracy in the United States. Properly managed multilateralism should enhance our power. That should be part of the argument, that working through cooperative measures with other institutions can be good for our own influence in the world. It can also help to moderate the way we think about our own aims in the world.

But these strategies for working with other countries involve commitments to persuasion and listening, even a capacity for self-criticism and a willingness to learn from others and to revise our conceptions of our own interests accordingly. This is lacking in the current administration's emphasis on unilateralism. What is most disturbing about the inward-looking emphasis of advocates of national sovereignty who don't want to participate seriously in multilateral institutions is that their only focus is on threats from internationalism to our democracy, not on the ways in which internationalism can enhance our own democracy.

In what ways would participation in international institutions enhance our own democracy? In times of national peril, the existence of an effective opposition willing to challenge government policy can break down domestically. This clearly happened in the United States in the wake of 9/11. A Republican Party with a razor-thin majority controlled and continues to control all three branches of the national government. Democrats were afraid to come out clearly against the war in Iraq for fear of being

perceived as unpatriotic and weak, and there was a general willingness to give the administration the benefit of the doubt. Even the press was swept up in this, most notably *The New York Times*.

International institutions can play a vital role in such instances in providing an external critical point of view which is good for democratic deliberation and can supply information and critical perspectives often missing from domestic debates. They are not foolproof in this regard. The United States did seek a second UN resolution by sending [Colin Powell](#) to make the case. He even went to CIA headquarters first to test the evidence.

A lot of good it did us, you might say. International institutions can only provide a forum and a process of wider discussion. They can't turn uncritical, dogmatic thinking into self-critical willingness to listen to the other point of view. In this case, we had a serious breakdown of democratic governance and openness to criticism within our own administration. Participation in international institutions is capable of helping, but it will not always succeed.

Another way in which participation in international institutions can enhance our own governance is to provide a broader international perspective that can help give national governments additional leverage for standing up to well-positioned domestic special interests that might block policy in the public good. Industry trade lobby groups are a classic example, but so are well-positioned groups that would deny basic rights to domestic minorities, like homosexuals or religious minorities. This can be extremely important for smaller states advancing domestic human-rights agendas.

But these claims are not neutral with respect to government policy. If you believe that homosexual activists are a special-interest lobby and not advocates for equal rights, you won't be eager to participate in international human-rights discussions on these matters. If you believe that torture is an essential aspect of government policy, then the inhibitions generated by international human-rights conventions won't seem helpful to you.

Can the case be made that participation in international institutions is good for us, makes us more responsible, and helps us ensure that our policies are the best they can be? Does appeal to wider publics beyond the nation-state tend to favor enlightened policy or simply strengthen the interests of well-placed domestic elites—liberal elites, as opponents of this view would put it, who are, in truth, a special interest and not the repositories of reasoned judgments?

I believe that public justification on a wider stage will tend systematically to be good for domestic deliberation, but the argument needs to be developed.

Contrary to Jeremy Rabkin, John Bolton, and the current administration, we should think about the ways in which participation in international institutions can improve the workings of American constitutional democracy. While remembering Washington's farewell address warning against entangling foreign alliances—often quoted by Rabkin, Bolton, and others—we should also remember that the authors of the Declaration of Independence sought to make their case to a candid world. We need to make the case that a greater commitment to critical discussion in international bodies would tend to improve rather than compromise the quality of democracy in America.

GIDEON ROSE: How one can deal with this subject in both theory and practice over years, if not decades, without becoming depressed? If you look at the actual structures of power and interests that block action and at the difficulties in moving beyond those structures or getting effective results through them, how does one keep one's spirit up, and not be ground down by the realities?

Both of you have worked within the UN system and the various international institutions, which are, themselves, to many outsiders, not exactly models of smoothly functioning, deeply efficient, effective organizations.

KEMAL DERVIS: One reason not to get depressed is the power of ideas. Ideas, in the end, rule the world, as [Keynes](#) and others said. By putting these ideas forward, by fighting in public opinion for support, one can make significant progress. Indeed, the creation of the UN after World War II— the many

international institutions that were created, the Declaration of Human Rights itself and its impact—all of this is ideas at work.

On the more practical level, Mary Robinson gave the good example of the landmines treaty, which was able to achieve a lot by a coalition of government, opinion leaders, and civil society.

So while the challenge is huge, and while I do love [Antonio Gramsci's](#) recommendation that one must combine the pessimism of the intellect with the optimism of the will, if you look at what has been achieved, despite all these obstacles, it is significant.

MARY ROBINSON: This a question I got frequently when I was working on human rights in the UN, because part of the job was to go to some of the most difficult places—Chechnya, Sierra Leone, and East Timor. I would come back and try to organize a response. If you can see the glass as half full and try to move forward, it's much more energizing. From the point of view of trying to change things, you do feel more energy and energize others more if you can use the ideas and the possibilities to mobilize for change.

Now, when I am no longer in a UN context, I am so outraged, underneath it all, with the unfairness of our world. I have seen it close up, and I still go to parts of Africa where it is absolutely unacceptable.

One of the problems is that not enough of us are aware of what it means to live in absolute poverty. You bury your children young. It's women and girls who are more vulnerable now, particularly in the context of HIV/AIDS.

So how we can talk about a language of a global village and have people who are unbelievably rich and others unable to live day to day? What does it mean to be a human being? What does it mean to have the Universal Declaration?

[Eleanor Roosevelt](#) said that if human rights are to matter at all, they must matter in small places close to home. But now, in the twenty-first century, we have to say that if human rights are going to matter in small places close to home, they have to matter in the corridors of power. They have to matter more in the UN, the World Bank, the WTO, the large corporations, and in the media.

GIDEON ROSE: When thinking globally conflicts directly with acting locally, what is the proper way to resolve that, ethically and practically? What does one suggest to workers in advanced industrial countries who may not be efficient enough to compete in the modern world and in current markets?

STEPHEN MACEDO: The cotton subsidies that impoverish farmers in Africa benefit a special interest in the United States. But they don't benefit Americans, as a general matter. We raise the price of basic commodities that make them less affordable to poor people here, while also, in effect, dumping onto the international market and making it impossible for people around the world to begin a cash crop. In some instances, this is a matter of well-placed special interests.

Now, governments elsewhere have social welfare, job training, and unemployment insurance. A more substantial social safety net would be one way of persuading our own workers that there is a cushion for the dislocations of fairer global competition.

MARY ROBINSON: There is also a worrying race to the bottom, in terms of wages, and capital which is footloose, looking for the cheapest production. Again, we have to put the focus back on decent work, on labor standards, environmental standards. We have lots of instruments that we could be using more, but we need to have accountability.

Very shortly, there will be a Learning Forum of the Global Compact in Shanghai, China. It will be interesting to see how companies will look at the ten principles of the Global Compact in China.

GIDEON ROSE: Do you think that Wal-Mart helps to relieve or add to poverty here and around the world?

KEMAL DERVIS: There is a real distribution issue, in the sense that globalization and export of capital, relocation of factories, create winners and losers. It also can, in a medium-term context, create overall gains. A job relocated from a very rich country to a poor part of India, which raises the wage of the Indian worker by a factor of three and provides employment in the first place, at the same time may be creating disruption and loss in Pittsburgh or Detroit or northern France— even though the level of income of those workers is much higher than the Indian worker.

At the same time, capital gains by this. We saw the latest statistics that the U.S. economy has grown close to 4 percent over the last five to six years but the average American family's income has remained stagnant.

There is, therefore, the potential for those who gain from this process to share some of their gains with the losers, including in the rich countries. This can be done by charitable contributions, but it should be done by taxes on those who gain, to compensate those who lose and to create long-term gains for everyone, instead of the race-to-the-bottom type of model, where tax rates decrease and there is pressure on the contributions to social activities through the globalization process.

GIDEON ROSE: The implication of both of your answers is freer trade in order to reap the benefits of markets, and a skimming off of some of the profits and wealth that is created and plowing it back into broader social markets and more generous welfare states, which provide not just better lives for citizens, but reduce the vagaries of commoditized life chances.

That would imply almost a Scandinavian-type politics of pro-market and pro-trade forces in the economy, but a heavy tax base with a broad social welfare net as well—a combination that seems unlikely to gain much ground in the United States, where we have not many taxes and less free trade.

STEPHEN MACEDO: The Europeans are managing to sustain both. Their social welfare states do face pressures because of demographic factors. But the European social welfare states have not collapsed. The United States is in a peculiar circumstance at the moment. We have a deeply polarized political system, but the American people remain towards the middle. We have a party that controls all three branches by a very thin majority. It's anomalous for 51 percent to be wielding as much power as it does. We do have a different political culture, and it's unlikely that we will tend towards a European social welfare system. Those countries that do have generous social provisions are not throwing them out the window with greater participation in the global economy.

KEMAL DERVIS: Your example of northern European states is very pertinent. On the international competitive index, Finland is one of the most competitive capitalist countries, and at the same time, has perhaps the most generous welfare state, with totally free education, health care, and child care.

It may not be easy to replicate that in the United States or even in Germany. But we should look very carefully at these models.

GIDEON ROSE: Do [demonstrations such as that in Seattle in 1999](#) fall on deaf ears or affect policy? If so, how?

MARY ROBINSON: The media covered Seattle as a protest by anti-globalization forces, whereas in the last year we've seen the global call for action against poverty. Then you have the Irish accents of the Bob Geldof and Bono and the [Live Aid concerts](#), harnessing an interest in a fairer world and a fairly simple approach on four issues: fair trade, increased aid by the richer countries, debt cancellation, and that the poorest countries do their bit in governance, tackling corruption, and in fulfilling the Millennium Goals.

The movement was effective before the G-8. There was a genuine pressure felt by the World Bank, the African Development Bank and the finance ministers on debt cancellation issues.

There will be a lot of mobilizing before Hong Kong, and I hope it will also have that kind of influence.

GIDEON ROSE: While there is increasingly freer movement of goods and services, compared to earlier

eras, there is not much movement of people internationally. Many economists have argued that one of the best ways to redress the inequalities and development issues in the system would be to facilitate greater movement of peoples. Yet we also see many obvious obstacles.

How can we and should we address the question of flows of people? How do you reconcile the possible improvements that could come from those flows with the post-9/11 worries about border security and the potential downsides of globalization?

KEMAL DERVIS: Most economic analysis would agree that the most direct route to income redistribution on a global level and to more sharing of high-productivity resources is migration. You can do more through migration than through foreign aid or trade.

But there we do run against your point that we are living in a world of political communities, nation-states, and in the political community there is a sense of belonging and of mutual responsibility, which doesn't go very much over borders. But from there, to ask political communities to build welfare states, tax themselves, generate incomes, and have foreign people come in and take advantage of all of that is a big challenge.

Some migration is very good for the country into which migration happens, particularly if it is skilled migration. But unskilled migration puts pressure on wages in the recipient country.

To what extent are we global citizens, and to what extent are we citizens of a given political community? We are stuck with that dilemma. As in most of these questions, a moderate, middle-of-the-road answer is probably the best. Some migration that can be managed, that doesn't create massive disruption, either economic or cultural, can contribute a lot, but we probably could not handle massive migration politically.

GIDEON ROSE: Anybody who has traveled to Ireland in recent years has seen a dramatic shift, demographically, although it's probably not as dramatic in absolute numbers.

MARY ROBINSON: If I could first address it from the experience that I had of being on the Global Commission on International Migration, which has just reported to Kofi Annan. One of our recommendations is that there should be more labor migration, that it's good for the sending and the receiving countries.

Within the EU, Ireland and the U.K., have said that they will accept without visas those coming from Eastern Europe, from the ten new member states. In 2004, Ireland received 45,000 from Poland, for example. It has been extremely good for the Irish economy, and is good for the country that they come from, because they receive the remittances. Remittances sent back by the poorest families are far more than official development assistance worldwide. These are win-wins.

But we also made it very clear in our report that language matters. I'm distressed at the way in which those coming across borders into this country are described. To call someone an "illegal alien" had very negative connotations. We should say that people are in irregular status, that they are undocumented. But no individual, no human being, is "illegal." Migrants who come, whether they are asylum seekers or refugees, whether they come for economic reasons and are undocumented, or overstay their visa and become undocumented, have human rights under the international human-rights system. In all of those circumstances, they still have a whole range of human rights, which every country, including the United States, has signed on to. Yet, Ireland now, as a receiving country, is facing pressures of a more diverse cultural environment.

In many ways, the United States has coped better with absorbing migrants until recently. Many parts of California would not be able to survive beyond breakfast if all undocumented workers suddenly stopped working.

STEPHEN MACEDO: I agree with what Mary has said, but I also agree with Kemal that immigration can cause dilemmas and, not only win-win situations. There is an argument that immigration to the United States having shifted toward being less skilled and less educated than American workers, has contributed

to the gap between better and worse-off. Other government policies have contributed as well.

It is also the case that the United States, compared with Canada, has an immigration test that admits more educated workers, which tends to depress wages at the top and raise wages at the bottom. The United States tends to admit lower-skilled workers, which, according to George Borjas at Harvard, has lowered wages at the bottom and tends to be good for people at the top.

There may be, in some instances, given certain policy structures in place, a tradeoff between large amounts of low-wage immigration and domestic distributive justice; if we can expect that immigration will be predominantly low wage, then there can be a conflict between open immigration and distributive justice.

GIDEON ROSE: How do we balance the needs of those with HIV/AIDS with the property rights of pharmaceutical companies? We can also tackle that in the question not just of intellectual property more generally, but also in the question of, ethically, how one talks about distribution as opposed to production and the incentives required for production.

In the face of the kind of global grinding poverty that Mary was talking about, and particularly in the health catastrophe that AIDS represents, how does one, at the same time, maintain industries in the advanced industrial world that continue to generate golden eggs?

MARY ROBINSON: Specifically on the HIV/AIDS issue, and the corporate responsibility of pharmaceutical companies, we have been working to encourage pharmaceutical companies to frame their corporate responsibility around the human right to health— which doesn't mean a right to be healthy, but it does mean that there are responsibilities.

I chair the Business Leaders Initiative on Human Rights, which includes two extremely successful pharmaceutical companies, Novartis and Novo Nordisk. They have committed to framing their corporate responsibility very expressly around the right to health and what are called the UN Norms, which haven't been officially adopted, but which were proposed by the Sub-Commission on Human Rights. They drew together all the international instruments ratified by governments and looked at the responsibility that corporations should have not to be complicit in violation and to work within their sphere of influence to further those rights. They created a matrix in their companies and are now developing a human-rights management system. It has motivated their workers, and improved health and safety in the workplace. They now want to continue working with us for another three years.

Those two firms hope to involve other companies in the pharmaceutical industry to work on corporate responsibility. A number of pharmaceutical companies do a lot of philanthropic work and provide free drugs to tackle diseases like leprosy and to address the issue of HIV/AIDS. They have widely publicized corporate policies, because it's good for their image. But they are reluctant to look at their core activity from the point of view of a right to health, and in particular to examine the [TRIPs](#) issue [trade-related aspects of intellectual property rights].

The TRIPs issue is particularly important because it's coming up in Hong Kong, to try to build on the agreement of the 6th of August, before Cancun. But recently, in the context of the bird-flu scare, senators from this country have gone to Roche, the manufacturer of the anti-flu drug, and said, "You will have to allow generics or we'll cut right through your patent rights." When there is the possibility of a pandemic in a rich country, to hell with the patents, because we have the power to do something. But it doesn't operate in the case of HIV/AIDS.

There is an increasing awareness of responsibility among some of the pharmaceutical companies that, because of the impact they can have on health and access to care and treatment, they have a particular responsibility.

KEMAL DERVIS: This is another example of the need for public resources. It is true that research is expensive and must be financed. Drugs need to be developed, and corporations invest in that.

Costs can be covered by charging high prices for a while to recover the costs. That cost is then borne by the buyers of the medicine or, if they are insured, the insurance system. If they are not insured, it is ordinary sick people who have to pay the high price.

Another way is to subsidize research through government funds to get the same kind of research. You could also have a cost-recovery mechanism. But how do you finance those subsidies? By taxes on those most able to pay.

GIDEON ROSE: According to World Bank statistics, two of the major successes in the recent wave of globalization, in terms of reducing poverty, have been India and China, where hundreds of millions of people have profited in ways that were historically unprecedented. Will globalization lead to democracy in China? What is the link between economic and political development?

KEMAL DERVIS: One can't predict that. But in the long run, the stronger middle class, more education, and more resources do lead to greater demands for participation in decision making. There is a positive correlation with democratic participation and development.

STEPHEN MACEDO: International human-rights organizations that press China with respect to the rights of journalists and other investigator reports, and press for due process rights for citizens are extremely important. There is an academic debate about East Asian values and whether countries have different cultural preferences than others. Those arguments need to be engaged as well. I am doubtful that there are indigenous cultural preferences that stand up against the ordinary desire for basic human rights that ought to constrain governments everywhere. In any case, without basic rights of free expression it is difficult to speak about the values of a people, as opposed to their leaders.

MARY ROBINSON: I gave a high priority to China when I was high commissioner. On my first visit in 1998, I met the then-minister of justice, and started talking about due process and the problem of reeducation through labor. In exasperation, he threw up his hands and said, "But we don't have enough lawyers." I asked, "How many lawyers do you have?" He said, "A hundred thousand lawyers," at that time for 1.26 billion people.

China has ratified a number of the international instruments, including the Covenant on Economic, Social, and Cultural Rights, and some of the conventions that the United States has failed to ratify.

There is also a responsibility of major corporations out of this country in their approach to making huge profits in China. I'm thinking particularly of information technology, because they are apparently complicit in providing China with the software that prevents Chinese citizens from being able to Google words like "democracy." That's a big responsibility which major corporations will have to face up to.

GIDEON ROSE: There has been much debate recently over Jeff Sachs' suggestions for what could be achieved in terms of development through the infusion of capital and expertise. Others have questioned how realistic that is and what the magnitude would be, even were there to be the will to devote resources and expertise to development. Would you talk about the degree to which the problem for development—and, therefore, the problem for some of the inequities in globalization—is a matter of resources or other factors that might be affecting the situation?

KEMAL DERVIS: UNDP is providing a lot of support to that work. Resources should not be the binding constraint that prevents us from overcoming extreme poverty. If there's civil war, if there's complete failure of governance, if there's massive corruption—these are other reasons that will prevent the international community from overcoming extreme poverty.

The amount of resources needed to overcome extreme poverty can be mobilized quite easily, if rich countries contribute much less than 1 percent of their income to that goal.

So money alone doesn't do it. We need reform. We need better institutions. We need participation by stakeholders, and if that's blocked, we can't achieve it. But let's make sure that resources are not the binding constraint.

MARY ROBINSON: This year we've seen European countries, in particular, make the commitment to achieve 0.7 percent of their GNP by 2015. But we haven't been very effective in how aid is deployed and used, so there has been a big waste factor and also, to a very considerable extent in the past, a corruption factor.

It's important that there be better governance in tackling corruption in the recipient country, but it's also extremely important that there be more donor coherence. We will have more money now, and yet there are complete contradictions. There is no coherence in strengthening the primary health system within a country. There's the Global Fund for AIDS, Tuberculosis, and Malaria, focusing; there's the Vaccine Fund, immunizing children, which will get an IFF facility [international finance facility] of another \$4 billion over the next couple of years.

So we need not just extra resources, but far more focus on a multi-stakeholder, well-coordinated and managed approach to strengthening primary health care systems at the district and subdistrict level, which will tackle all of the relevant issues.

We are still failing to tackle maternal mortality. More than 600,000 women die every year, unnecessarily, at childbirth, because there's no clinic nearby. It's shocking that, despite additional aid money, we're not tackling that problem coherently.

The structural adjustment policies of the IMF and World Bank prevent the poorest countries from hiring workers. I sat beside the minister of health of Kenya in Helsinki, who said to World Bank President Wolfowitz, "I have a program to provide antiretroviral treatment. I want to have 5,000 new people on antiretrovirals. I can't do it. I have the money to do it, but I can't do it because I'm not allowed to hire staff to do it. You're preventing me." The structural adjustment capping of health workers is also part of the problem.

GIDEON ROSE: We will have a brief final comment by any of the speakers, if they would like to have some additional words.

STEPHEN MACEDO: You started out with a question about pessimism. Yet, the progress of many international institutions is quite astonishing— to see an International Criminal Court up and working, to see human rights becoming an effective universal moral discourse in the world, with some real institutional backing, is truly astonishing, and genuine progress.

We should beware of an excessive pessimism coming from the particular peculiarities of American politics at the moment, which are extremely unfavorable to this. As we think about democratic deficits, the most important one may be in the United States.

MARY ROBINSON: I would like to follow, in a way, that more optimistic, upbeat sense, because changes are taking place. I mentioned the Global Call to Action Against Poverty. The recent G-8 meeting was the best in years. The UN summit was disappointing in some ways, but the commitment to the Millennium Development Goals by all countries, including the United States, was important.

The willingness now of business to see that it has a responsibility is enormously significant. There is what the UN calls a new mechanism, and a new mandate. John Ruggie, who has worked within the UN and is now at Harvard, has an express mandate on business and human rights. With my former office, he will soon be convening the extractive industries to look at their responsibility in the area of human rights, the responsibility towards indigenous communities, for environmental damage that may be caused.

The other express sectors that are mentioned in his mandate are the chemical and pharmaceutical industries. But it is not restricted to those. This will mean that the international human-rights system will be more seriously a value system for globalization. If we implemented those values, we would have a more fair and ethical globalization.

KEMAL DERVIS: The combination of ideas and of civil society, including business, is a powerful driver of progress, and there has been much progress, despite big remaining problems.

Nonetheless, some of the international governance and international democracy issues need to be resolved.

You said that the United States should engage with the multilateral system. But there is a question of what participation means. If participation means just sitting and debating things, that's better than nothing; that's welcome. But if participation means submitting to certain rules, certain voting procedures, that go beyond just discussing issues, this a big challenge. What kind of voting rules are fair, are truly democratic? Europe even has failed to find an acceptable new constitution to deal with these issues.

So we will have to continue, as we did tonight, to address these tough political problems and forge compromises between the various extreme points, which are not solutions.

GIDEON ROSE: Thank you all very much.

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