<chn>Chapter 22

<cht>Distributive institutions

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<p1>We live in a world which contains profound inequalities along a number of key dimensions. Whereas some learn quickly to take luxury for granted – and even not to recognize it as such – many more people are faced with far inferior life chances, apparently because of the simple fact of the country they have been born into. Notwithstanding the high-profile economic growth of some Asian countries, these inequalities have shown little sign of abating over recent decades and may very well be intensifying. Some theories of global justice will object to those inequalities in their own right. But even if, at a moral level, we are untroubled by the stubborn facts of global inequality, we may find it harder to reconcile ourselves to a world which has as a constant feature deep and enduring poverty. Millions regularly go without access to clean water, or basic medicines or education. Though political theorists and economists disagree about the extent to which poverty is caused by national or global factors, there can be no doubt that many children are born into societies which offer them desperately few opportunities. Such a fact is hard to justify in any sense. Even those highly resistant to “cosmopolitan” projects of global justice are prepared to pronounce, with solemn understatement, that “We do not live in a just world” (Nagel 2005: 113).

For many people the more pressing question will be what, if anything, can be done. The lone individual, faced with a world of injustice, is likely to feel despair about the prospects for making even the smallest dent in that injustice by his- or herself. Although many will be persuaded of an individual obligation to do *something* to alleviate global injustice – by giving money to charity, for example – they may at the same time quite reasonably believe such measures to be insufficient. To be effective, our responses to injustice will need to be both more coordinated, and more likely to be accompanied by compliance on the part of others who may be less committed. This in turn gives rise to an interest in *institutions* as tools for discharging our duties of distributive justice, and bringing a more just world closer into reach.

This chapter examines the role that institutions might play in securing (more) global justice. We begin, in the first section, by identifying some of the different reasons why institutions might be thought important from a normative point of view. For our purposes the least controversial reason for emphasizing the importance of institutions is that they might be necessary or highly desirable in order to *achieve* global justice, and we briefly unpack why that might be. We then shift our focus to the *kinds* of institutions which scholars of global justice have suggested might be vested with the task of securing global justice. The second section examines arguments for using *existing* institutions to pursue global justice. Assuming that these will be useful but not sufficient to deliver on many accounts of global justice, the third section then moves on to examine some prominent arguments for establishing *new* distributive institutions, and attempts a comparison of their various merits and drawbacks.

<ha>The normative significance of institutions

<p1>Institutions can be defined narrowly, as a category of more or less formal organizations governed by (usually written) rules, and which are reasonably enduring and stable over time. Examples would include parliaments, schools, political parties or corporations. Or they might be defined more broadly, as comprising not only such organizations but also less formal phenomena such as regular practices governed (loosely or firmly) by identifiable norms, rules and conventions. Here examples could include the family, the nation or the labour market. Even if we are defining them broadly, institutions and their rules can be regularly and consciously followed by many people, and can have a great impact on the life chances of the people who do participate in them.

At first sight, we might expect institutions to be of little importance to many accounts of global justice. After all, the most prominent theories of global justice are ethically individualist, in the sense that they attribute at least primary moral significance to individuals alone. Other entities – such as corporations, nations or families – will then have derivative moral significance at best: they will be significant, if at all, only in so far as we care about their effects on their individual members (Pogge 2002: 169). We would accordingly expect individuals to be both the principal rights-bearers, and the principal bearers of moral duties to secure global justice. All of this could therefore be presumed to mean that institutions were also of limited moral significance. Nevertheless, for advocates of global distributive justice there are actually a variety of ways in which such institutions might be significant.

First, and most controversially, we might think that it is *because* there are global institutions that we need an account of global distributive justice in the first place. That view would be a *relationist* one, if we understand relationism here as a family of views each holding that it is the emergence of some kind of social or political relation which makes principles of justice applicable at the global level. That is a contentious set of views, and is challenged by the competing family of *non-relationist* views which emphasize instead factors such as our shared humanity, and suggest that whereas the emergence of global institutions may have transformed the political landscape, it has not transformed the normative landscape and made principles of global justice relevant where they were not before (see Sangiovanni 2007). Still, the view that it is the emergence of global institutions (narrowly or broadly construed) which creates the need for principles of global justice is a common one.

Second, we might think that institutions are what principles of justice ought to be *applied to*. Perhaps the primary goal of principles of justice is to evaluate institutions and their distributive effects (Rawls 1971). This view will, obviously, tend to appeal to people who embrace the first claim (that it is the emergence of global institutions which has made global justice necessary). But strictly speaking the two views are separate. One could think, for example, that principles of global justice have always been valid, but that it is only with the emergence of global institutions that such principles have found an obvious target; this view is suggested by Beitz (1999a: 204). Alternatively, we might say that we have always had certain duties – such as negative duties not to harm each other, or impose injustice on one another – but that it is with the emergence of (global) institutions that such duties find their (global) application, since it is typically through institutions that we violate these negative duties (Pogge 2000).

A third reason for thinking institutions are significant focuses on their *usefulness* in implementing global justice. We might think, for instance, that whereas we have always had duties of global justice, it is only with the emergence of global institutions – or the potential emergence of global institutions – that we are able to *act* on those duties for the first time. Institutions, then, provide an efficient means of discharging duties which may themselves be pre-institutional (see Murphy 1998). In this regard their emergence can be extremely helpful. We might even want to say that whereas there are many potential ways of discharging our pre-institutional duties – and whereas many people discharging them in an uncoordinated fashion may be very chaotic and ineffective – once a reasonably just institution has emerged we are then provided with a powerful reason to comply with *its* rules in coordinating the way in which we each discharge our duties (Miklos 2006).

These various reasons for emphasizing the significance of institutions are distinct, and subscribing to one does not commit us to accepting the others. Most importantly, for the purposes of this chapter we can remain neutral on the first two views. The third view is likely to command very broad agreement, even among theorists who disagree strongly about the first two. If we agree that global justice is desirable – for whatever reason, and whether the emergence of global institutions provides a reason for thinking so or not – we are also likely to believe that global institutions are either necessary or, at least, highly desirable, in order for us to bring it about. Does this commit us to the view that in their absence global justice is somehow disqualified as an ideal? The short answer to that question is no. It has certainly been argued that principles of global justice are not “proper” principles of justice at all if an agent cannot be specified which would be capable of putting them into practice (see, e.g., Meckled-Garcia 2007; see also Freeman 2007). But that argument is not entailed by our third view; it would be coherent and intelligible to claim that global justice is a valid and desirable endeavour, but that the conditions for achieving it are not yet in place. In the final section, I suggest that whereas some theorists have put their faith in the capacity of existing global institutions to serve justice, others have (in some cases also) put their faith in the creation of new institutions. But even if such new institutions could not be created in the foreseeable future, that in itself would not be enough to disqualify principles of global justice. It would merely make their (full) pursuit a very difficult and possibly forlorn enterprise.

Just why, then, might institutions be necessary or highly desirable in order for global distributive justice to be achieved? What is it that global institutions would allow us to do which is much more difficult in their absence? Writing in the context of debates about human rights, Henry Shue has suggested two central reasons why institutions are useful in trying to deliver on our moral duties. The first can be called “efficiency”. If individuals were to try to fulfil their duties *as* separate individuals, the results would be highly inefficient. Individuals simply lack the relevant information and expertise about how best to serve global justice, and the result is likely to be a great deal of wasted time, effort and money (Dave Eggers’s first novel satirizes just such a pair of well-intentioned but ill-informed individuals, who travel the world in an attempt to give their money away to those who deserve it more than they do; Eggers 2002). Alternatively, dedicated institutions could act on our behalf, and deliver great savings in time and money, at the same time as acting in a more coordinated and consistent way to address injustice. As a result, as Shue (1988: 696) puts it, “It will often be the case that resources are best employed not in direct action but in maintaining and enhancing institutions…or, where no effective institutions exist, in creating and building them.” A second reason, “respite”, refers to the corresponding savings that can be made in the demands made on individual duty-holders. Whereas individuals acting alone may feel desperately ineffective in confronting global injustice, and consumed by the enormity of the task of tackling it, institutions lift some of that burden off their shoulders and leave them free to pursue the other legitimate projects they may have in their lives. Although global justice matters, it may not be the only thing that matters: and if the economies provided by institutions can help free up time for the other things that matter, then they are to be welcomed.

Shue’s suggestion, then, is that, in allowing us to discharge our duties effectively, institutions are invaluable; but he does not claim that all of the institutions in question must be global ones. Individual nation states, for example, might be very useful in delivering on our duties (and it is notable that individual nation states have *tended* to be the primary targets for arguments allocating duties to fulfil human rights in particular). Nevertheless, there may be good reasons for believing that global institutions are an important part of the picture whether our view of global justice is broadly egalitarian in nature or more modest in its goals. This need not mean that theorists of global justice are committed to very powerful global institutions, or even to a world state (see Beitz 1999b). But it may well mean that their distributive goals require institutional reform and innovation, and in many cases the creation of new, dedicated institutional structures to deal with global issues and problems. To sum up, the arguments of this section suggest that institutions are likely to be significant even if we do not believe that they create the need for global justice in the first place. They can deliver advances in efficiency and in respite for individuals, which promise to bring the goals of global justice much closer than would otherwise be the case. Not surprisingly, there have therefore been many suggestions for the kinds of global institutions which might help us to deliver on global justice. These will be discussed in the remaining sections of this chapter.

<ha>Global justice and existing global institutions

<p1>If we wanted to secure a distributively just world – or at least a *more* just world – a first step would be to enlist the help of existing institutions. Whereas it has been suggested that global justice requires global institutions which we have no reason to expect to see emerging in the near future (e.g. Nagel 2005, Freeman 2007), even *if* we are persuaded by this view, it should not blind us to the possibility of demanding that *existing* global institutions are more fair in their distributive effects. Here, most of the attention has focused on institutions such as the International Monetary Fund (IMF), World Bank, International Labour Organization (ILO) and, especially, the World Trade Organization (WTO).

For instance, Charles Beitz (1979) early on suggested that we could make the IMF a more effective agency of development, by making greater amounts of credit more readily available to developing countries. This proposal was presented as a possible application of a “global difference principle”, which suggests that we ought to advance the position of the poorest as far as we can, and only accept inequalities compatible with that goal. One way to bring this goal closer would be to make funds for development available in greater volume and with fewer strings attached. More recently, there has also been emphasis on the idea that the IMF, World Bank and other lenders ought to cancel or “forgive” the debts held by developing countries (see, e.g., Caney 2006c: 123). If those debts have been incurred in the past by leaders of dubious legitimacy, and if their repayment is holding back development in the present, there may be a strong case for cancelling them (see Barry *et al*. 2007).

The WTO, though, has probably been the key focus for advocates of global justice. There are several reasons for this (Armstrong 2012). First, it is one of the most powerful institutions governing the global economy, and its influence is steadily expanding into new areas. Second, the decisions that it takes, and the rules that it formulates and defends, have obvious distributive effects. Every time a round of WTO negotiations concludes with a new agreement there will be countries which consider themselves winners, and others which consider themselves to have been hard done by. Third and finally, WTO rules – and negotiations – explicitly invoke considerations of fairness. Negotiations are supposed to be (and are often publicly claimed to be) motivated by considerations such as reciprocity and non-discrimination, which are hard-wired into the rules of the WTO itself (Brown & Stern 2007). As a result the fairness of trade rules, the protectionist policies of many countries, and the fairness of the decision-making processes of the WTO itself have come under considerable scrutiny.

Beitz, for instance, suggested that the rules of international trade could be redesigned so that they promoted redistribution towards developing countries (Beitz 1979: 174). Specifically, he asked whether we might rearrange the tariff system so that developing countries could establish lucrative industries without competition from developed countries, but still gain access to the markets of the latter. Such a suggestion has received further support more recently (see, e.g., Kapstein 1999, Brock 2009, Moellendorf 2009). The idea behind “sequencing” the obligation to open up markets is that poorer countries ought to be able to liberalize in a gradual manner, opening up different parts of their economies one by one and with careful forethought. That way the human costs might be managed rather better than if they fully liberalized immediately, under pressure from organizations such as the WTO or IMF. This does mean allowing them to maintain tariff barriers which other countries are not allowed to operate, but that might be necessary for them to “catch up” in their development. As Moellendorf (2009: 96) puts it, “there are good reasons to believe that a trade regime should sequence the requirement to eliminate protectionism so as to provide countries in the developing and underdeveloped world with more time to develop their infant industries”.

These are not the only suggestions for how we could use existing institutions to further the goals of global justice, but they are perhaps the most prominent. Other recommendations include a defence of greater cooperation between nation states on tax collection. Many corporations are able to move between tax jurisdictions in pursuit of the lowest tax rates available, and to exploit various other loopholes. But Gillian Brock has pointed out that if countries cooperated more on tax rules, and moved to close some of the more important tax loopholes, their coffers could swell by hundreds of billions of dollars annually. As Brock (2008: 162) puts it, “Even modest changes in global tax policy will mobilize revenue that is badly needed in developing countries.” Another possibility centres on labour standards. Here it has been suggested that institutions such as the WTO or International Labour Organization could be used to monitor and enforce basic labour standards, preventing employers in developing countries abusing the human rights of their employees and presenting them with working conditions which are unsafe, oppressive or discriminatory (see, e.g., Barry & Reddy 2008). Taken together, these steps might themselves go some way towards advancing some of the most pressing goals of global justice.

A final, albeit somewhat more controversial route we could take towards greater global justice within the parameters of existing institutions would be to make national borders more porous to migrants. As has often been pointed out, in a world of substantial inequalities the relative difficulty of moving from the poorest countries of the world to the wealthiest helps to perpetuate those inequalities. Equality of opportunity, for instance, is thwarted when individuals seeking to improve their prospects by moving to find better work abroad are prevented from doing so by restrictive immigration policies operated by most Western states (see, e.g., Carens 1987, Shachar 2009). Most of the suggested reforms discussed in this section refer to reforming institutions construed narrowly – that is, they apply to formal organizations such as the WTO or IMF. But, construing institutions more broadly, we could identify the institution of the nation state – or, more precisely, a global regime of many separate nation states – as an institution which itself has hugely significant distributive effects. As such the question of how we might reform that institution to make those distributive effects more palatable is a plausible one.

Notably, many of the reforms suggested in the next section suggest that we ought to establish international organizations capable of taxing, for instance, the natural resource wealth of different countries. By moving some of the resources of the wealthy in the direction of the poor we could make a regime of relatively closed borders less likely to give rise to massively unequal opportunities. But perhaps we could bring a world of equal opportunities somewhat closer simply by allowing larger numbers of citizens of poorer countries to enter richer states. In so doing we would spread the benefits typically enjoyed by their own inhabitants – high wages, often generous health and welfare provision, free and effective education – to a larger number of people.

There is controversy, however, over whether making borders more porous would be a sensible step to take towards a more just world. One reason for this controversy is that some theorists believe that nation states have good moral reasons for maintaining relatively closed borders. Perhaps maintaining relatively closed borders is necessary to defend freedom of association, or to preserve national public cultures (see, e.g., Altman & Wellman 2009 and D. Miller 2005b respectively). Another reason for scepticism is that it is far from clear that opening borders to more immigrants would be the most effective means for richer states to tackle global injustice. Such a measure would, perhaps, help just a portion of the poor of the world, and perhaps help the very poorest very little. Accordingly it has often been argued that states should be able to maintain relatively closed borders provided they redistribute an appropriate quantity of resources abroad (see, e.g., Kymlicka 2001, Tan 2004, D. Miller 2005b).

Although there are some reasons for hesitation about the effectiveness of the last example – increasing immigration into richer countries – the recommendations discussed in this section suggest that we can make worthwhile progress towards global distributive justice purely by employing existing institutions more effectively. Thus, in rejoinder to the claim that principles of global justice are “unrealistic” or somehow neutered because there exists no agent to apply them, the advocate of global justice can argue that we could make substantial progress simply by requiring existing institutions to act in a more just way – and specifically to act in such as a way as to ameliorate the great degree of poverty and inequality that characterizes the contemporary world. But such progress, though worthwhile, might not be sufficient. In the next section, therefore, we will examine arguments for new distributive institutions.

<ha>Proposals for new distributive institutions

<p1>Sometimes existing institutions are inadequate to the task of securing justice, and in those circumstances we might be morally obliged to modify them or even to establish new institutions. Although we may have a duty to comply with any reasonably just institutions that do exist, there is no guarantee that those institutions will be adequate in the face of changing circumstances, or well designed to meet the many challenges of sharing a world together. John Rawls suggested that (one part of) a “natural duty of justice” was a requirement to “further just arrangements not yet established” (Rawls 1971: 115). Although Rawls himself gave a rather modest account of the institutions which would be required to secure justice at the international level (Rawls 1999b), many advocates of global justice have been much more ambitious in their recommendations for institutional innovation.

Much of the focus, here, has been on establishing institutions which would be capable of levying global taxes – which might then in turn be spent either to reduce poverty or to tackle inequality. There is disagreement, though, on just what should be taxed to provide the desired revenue. Suggestions have included carbon emissions, air flights and world trade (see Brock 2008 for a discussion), as well as income (Milanovic 2005). But in this section we will focus on some of the more well-known proposals, which suggest that we ought to establish institutions capable of levying taxes on the extraction or ownership of natural resources, on financial transactions, and on the transmission of citizenship itself.

In doing so, we will also evaluate the proposals one by one. A successful argument for a form of global taxation will need to perform well against several criteria, and doing so is no easy task. For one thing, there is the question of feasibility (is there a plausible legal or political path towards achieving the reform in question? Is there likely to be a degree of popular and elite support?). This is not to say that reforms should be ruled out on the basis of feasibility. But it may be that, other things being equal, we want to concentrate our efforts on those reforms which are more feasible, if we believe that global injustice is an urgent issue. A second criterion is impact (will the reform in question make a major contribution to injustice, conceived in terms of either poverty, inequality or both?). We could usefully divide impact into two varieties. A reform might have an impact by tackling the effects of poverty and inequality, for instance by redistributing income (we might also want to say that a successful reform ought to target, or prioritize, just the *right* people). Or, it might have an impact by tackling the causes of poverty and inequality, for instance by directly targeting the injustice of the international trading system. Other things being equal, we ought to favour reforms which, alongside tackling poverty and inequality directly, promise to cut them off at their source (Caney 2006c: 134). A third criterion relates to the “fit” between the costs of a particular reform and any normative responsibility for global injustice. For instance, if party x is responsible for the continuation of global poverty, then a reform taxing the income or wealth of party x and using the proceeds to ameliorate poverty would be preferable. We ought, that is, to endeavour not only to help the right people, but to place the costs in the right place, in a way that is normatively compelling (see Moellendorf 2009: 145).

<hb>The Global Resources Dividend

<p1>The Global Resources Dividend (GRD) is a tax which would be placed on the extraction of natural resources across the world. Every time a barrel-worth of oil, for example, was produced, some of the proceeds would be taxed in order to reduce global poverty. The tax would not need to be very high to achieve significant results: the champion of the Dividend, Thomas Pogge, calculates that a one per cent tax on resource extraction would raise around $300 billion every year. This is potentially enough to significantly reduce severe poverty as the World Bank currently defines it (Pogge 2002: 205). A global fund would then administer the resulting revenue, and in collaboration with international lawyers and economists it would disburse money to any developing countries which satisfied the fund that they would use the money in a relatively efficient and non-corrupt way.

Why might we embrace a Global Resources Dividend? Pogge provides a series of overlapping reasons which might persuade people with different substantive views about justice. We might see the Dividend as compensating the poor for the fact that richer countries have imposed an unjust institutional order on them – an order, that is, which avoidably leads to serious deficits in human rights. Or, we might see it as rectifying a brutal history of conquest, imperialism and dispossession. Alternatively, we might see it as compensating the poor for the fact that they have been deprived of a proportionate share of natural resources, as happens when Western corporations or countries buy resources from undemocratic regimes in developing countries, who sell those resources without either benefit to, or consent from the bulk of their citizens (Pogge 2002).

Pogge’s proposal has attracted a number of objections. One striking point is that whichever of the three reasons we accept for adopting it, the GRD will be insufficient to rectify the injustice involved. We might, of course, still want to embrace the GRD as a first step at least towards justice. But here it has been claimed that there are other measures which ought to be given priority if we are concerned, as Pogge is, with the injustice of the contemporary world. For instance, if we believe that an unjust global institutional order is being imposed on people, then perhaps from the point of view of impact we ought to focus first and foremost on reforming that order (by changing the rules of international trade, for example) rather than on partially compensating people for its injustice. Alternatively, if we believe that poorer citizens are being unjustly dispossessed when corporations from the developed world buy natural resources from illegitimate regimes in their home countries, then perhaps we ought to focus on outlawing that illegitimate sale, rather than on merely taxing resource extraction (Wenar 2010). That said, the idea that we ought to tax resource sale or extraction has proven an attractive idea to many, especially given that countries may have relatively weak claims over the natural resources in their territories. The GRD would, on Pogge’s admission, be difficult to achieve in practice, but it would represent at least a first step in tackling the injustice of resource ownership and distribution. If the GRD were difficult to achieve, it might still be possible to tax the use of specific resources which are key to human existence. Water might provide a good example, where we could divert funds from a “water levy” to secure everyone’s human right to clean drinking water (Armstrong 2012).

<hb>Other global resources taxes

<p1>Although Pogge’s Dividend is the most well-known example, the idea of a tax on natural resources has gained broader currency in debates about global justice. Charles Beitz (1979) has defended a resource redistribution principle which would seek to make sure that each country has sufficient resources to be able to run decent and effective institutions, and meet its members’ basic rights. Proposals for redistributing either resources, or the value of those resources, have also been put forward by Brian Barry (1982), Will Kymlicka (2001) and Hillel Steiner (2005). In Steiner’s case the proposal is much more challenging than Pogge’s. Whereas Pogge’s Dividend would redistribute one per cent of the value of resources as they are extracted, Steiner’s proposal would apply to *all* natural resources (whether extracted or not), and aim to redistribute *all* of their latent value. This would be achieved by taxing the real estate values of land across the world. The proceeds would again be administered through a global fund, in this case disbursing sufficient amounts of money to guarantee either a substantial universal capital grant, or a basic income for all (Steiner 2005). The global resource tax would, in effect, require states to pay “rent” on the resources within their territories. The effect would be strongly redistributive, and would almost certainly produce a “substantial reduction in international (as well as national) economic inequalities” (*ibid*.: 36).

The main challenges levelled at Steiner’s account revolve around the justice of taxing real estate values at their full economic value. One objection would be that if what we want to address is the unequal distribution of natural resources, then a tax on real estate is a rather poor proxy for that goal – given that there are countries (such as Japan) where natural resources are not available in any great abundance, but where real estate values are very high (and vice versa). This suggests, in effect, that Steiner’s scheme does not distribute the costs of tackling inequality in a wholly compelling way. A related objection suggests that we ought not in any case attempt to tax *all* of the value of natural resources. Whereas their latent value may in a sense be unearned by anyone in particular, the actual value of resources is influenced by the way in which people interact with those resources, and protect or improve them. As such, perhaps local or national communities are entitled to some share of actual resource values (D. Miller 2011). Note though that whereas this argument attempts to defeat Steiner’s claim that we should tax the entire value of resources, it probably could not defeat arguments, such as Pogge’s, that we ought to redistribute some of that value. Even if communities are partially responsible for the actual value of resources, they are presumably not responsible for their entire value.

<hb>The Tobin Tax

<p1>The idea of a “Tobin Tax” (sometimes more broadly referred to as a Financial Transactions Tax) was originally suggested by the Nobel Prize-winning economist James Tobin, who in 1972 argued that one way to calm international currency markets would be to place a small tax on foreign exchange transactions. A tax on foreign exchange transactions would dissuade speculators looking for very short-term gains on currency markets. At present that kind of speculation can have disastrous consequences for some national economies (notably, the idea of a Tobin Tax came to gain much greater interest after the Asian Financial Crisis of 1997, in which currency speculation played a role).

The Tobin Tax, then, appears likely to smooth international currency markets, and reduce the vulnerability of poorer countries in particular to rapidly fluctuating currency markets. But although the emphasis was originally on increasing financial stability Tobin, along with various other supporters of a Tobin Tax, soon came to realize the potential of the scheme to raise funds for poverty relief. A relatively small tax – levied at some fraction of one per cent of any given currency transaction – could produce around $150–300 billion annually. Notably – and unlike many of the other proposals discussed here – the idea has gained some support from governments and non-governmental organizations. In 1999 the Canadian House of Commons, for instance, passed a motion declaring that the government should enact a tax on financial transactions, in concert with the international community. The last clause is crucial, since the tax would be ineffective if levied by one or even a few countries. Although in the UK a number of celebrities have supported the idea of a (under the title of a “Robin Hood tax”), international agreement has not yet been forthcoming.

Although it has not been achieved in practice, the Tobin Tax performs well in terms of feasibility, in at least one respect: it seems to be the reform most likely to attract popular and elite support. One reason for this, as Moellendorf (2009: 150) points out, may be that the Tobin Tax is directed at an activity that is widely seen as having “little social value” – and indeed which regularly produces negative consequences for many undeserving people. As such it appears an appropriate target for redistributive policies. It would also perform well on impact, at least from one point of view: at one and the same time it would reduce those negative consequences attendant on currency speculation, and help many of the people who stand to suffer from them. Nevertheless, the proposal does have some drawbacks. For one thing, the funds would, on most proposals, be used to support not the victims of currency speculation in particular but the poor in general. In this respect, admirable though the proposal may be in a number of ways, the connection between those who are to be taxed and those who are to be helped is rather a weak one, and the reform could be said to distribute the costs of tackling poverty in a rather arbitrary way. Second, there is the question of whether the reform would tackle the roots of global poverty and inequality in a suitably profound way. Although it would directly tackle one source of poverty, inasmuch as currency speculation can exacerbate the poverty of those in weakly positioned economies, it would do nothing to tackle other causes of injustice such as the nature of the international trading system. In that sense the scope of its impact is limited, and it might best be seen as a part of a broader package of measures designed to secure greater global justice.

<hb>The Birthright Levy

<p1>Ayelet Shachar has suggested that many of the key global inequalities which ought to trouble us are perpetuated by the intergenerational transmission of citizenship. After all, we tend to inherit citizenship on the basis of our parentage or our place of birth, and although these are not factors that we can claim any credit for, they tend to present us with radically different opportunities. The lives of some are blighted by the poor hand which luck deals them, whereas others can grow up, as citizens of wealthy liberal democracies, in the secure knowledge that their basic material needs will (usually) be met throughout their lives. Rather than arguing, as some have done, that wealthy countries ought to open their borders to the poor of the world in order to spread those opportunities a little more widely, Shachar (2009) suggests that rich countries ought to pay a tax or “levy” on the inheritance of “birthright” citizenship.

The levy Shachar has in mind could take the form of a resource transfer from individuals in richer to individuals in poorer countries, and could itself be fine-tuned to reflect the disparities in wealth *within* richer countries themselves (*ibid*.: 103). She also suggests, however, that it might in principle be replaced or supplemented by the performance of some form of public service by citizens of wealthy countries (such as volunteering to work overseas on development projects). Any revenue – and effort – accrued under the scheme would be used to bolster “infrastructure programs directed at enhancing the situation of children in the recipient countries (for example, eradicating malnutrition, providing clean water, investing in health, education and so forth)” (*ibid*.: 102).

It is not easy to discern how well Shachar’s proposal performs on the criterion of impact. On the one hand we have the question of the extent of improvement it could produce for those dealt a “bad” hand in the birthright lottery. Here, it is striking that although Shachar explicitly criticizes the *inequality* produced by the regime of national citizenship, her reforms suggest a fairly modest contribution to tackling serious *poverty*. On the other hand we have the question of whether her reforms directly tackle the causes of poverty and inequality, as opposed to their effects. Here the picture is complex. Shachar claims that her proposal *is* radical, in the sense that it directly targets the transmission of inequality across generations. However, she does not pay attention to the broader structural causes of global injustice (such as institutions and practices governing international trade, resource sales, borrowing and lending, and so on), and her reform would do little to tackle those causes. Shachar’s scheme also contains little detail about the precise nature of the citizenship levy: How much money is to be collected? To precisely whom will it be given, and who will decide how to disburse it? Will there be mechanisms in place, as in the case of Pogge’s Dividend, to use the levy to incentivize good governance in developing countries? Nevertheless, in focusing on citizenship itself her proposal presents an intriguing alternative to the other schemes discussed here.