



Two Perspectives on Poverty: Thomas Pogge and Bill Gates

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Introduction

Bill Gates is emerging from the business and technology world as the posterchild of social responsibility. Putting Bill Gates' philosophies on poverty, poverty eradication and philanthropy under a microscope is exciting because his ideas are controversial. Moreover, Bill Gates' philosophy on these issues matters because Bill Gates has 38.7 billion dollars allocated to fighting poverty, influence, a background to which the business and technology worlds relate, and now, as he steps down from the CEO position of Microsoft, time.

If keen attention is dedicated to detail, a telling comparison can be made between Bill Gates' approach to fighting poverty and philosopher Thomas Pogge's approach to poverty eradication. Thomas Pogge, political philosopher and author of *World Poverty and Human Rights*, is widely regarded as one of the most important writers on global poverty and justice. Pogge received his Ph.D from Harvard University with a dissertation supervised by John Rawls. Currently, Pogge teaches political philosophy at Columbia University and will begin teaching in the fall of 2008 at Yale University.

Gates and Pogge suggest different "problems of poverty," different impediments to the severe reduction of poverty, different reasons for fighting poverty, and different solutions for the severe reduction of poverty. In this paper, I examine Gates and Pogge's views in each area and conclude by evaluating the compatibility of their views. I determine Gates and Pogge's views to be incompatible, and I reveal the argument by

which I am convinced. Interestingly, I am persuaded by the argument I believe is least likely to persuade the majority of the developed world. In the conclusion I will disclose my theories as to why the majority will be persuaded by one of the views. By which argument will you be persuaded?

Non-Maleficence v. Beneficence

Both Gates and Pogge believe in the power of capitalism and markets to promote economic growth and thus a higher standard of living for the developing world. Neither is a neo-liberal who thinks that capitalist growth will eradicate poverty, nor a Marxist or protectionist critic of free markets who contends that market capitalism and poverty eradication are mutually exclusive.¹ “My complaint against the World Trade Organization regime is not that it opens markets too much, but that it opens our markets too little,” Pogge writes. Poggean philosophy is neither at one end of the pendulum nor the other. Pogge clarifies this position, writing that the shortfalls of the WTO are, “...not reason to oppose any and all possible designs of an integrated global market economy under unified rules of universal scope.”²

Moreover, Gates and Pogge agree that equally important to economic growth in solving poverty is alleviating the accelerating global wealth inequities. At the 2008 World Economic Forum held in Davos, Switzerland Gates proclaimed himself to be an “impatient optimist.” Even more like Gates, Pogge agrees that the issue of poverty is urgent.

¹ Pogge, Thomas W. World Poverty and Human Rights. Cambridge, UK: Polity P, 2002. p.17,19

² Pogge, Thomas W. World Poverty and Human Rights. Cambridge, UK: Polity P, 2002. p.20

The contrast becomes apparent when one contrasts Gates' view of poverty-reduction as an issue of beneficence to Pogge's view of poverty-reduction as an issue of non-maleficence. This difference in principles shapes what Gates and Pogge see as major impediments to the severe reduction of poverty, and thus explains the difference in their prescriptions for current poverty-fighting efforts.

Gates believes that if we become more benevolent, we can reduce poverty in a meaningful way. Note that Gates does not seek to eradicate poverty. This is not because he wants people to remain in poverty, but more an indication of his realism. On the other hand, Pogge argues that poverty will persist until we reform the "global institutional order" which, he asserts, caused and perpetuates the poverty. Pogge believes that the problem of poverty is an issue of global justice – and one of stopping the harm that institutions are doing to others. Pogge calls for eradication of global injustice, socioeconomic poverty, and insufficient access to the basic goods needed for some minimal level of human flourishing. These sound like lofty goals, and they are.

Pogge rolls out a laundry list of excuses those of us in the developed world give for not doing more to reform the global order. The developed nations have created the global order and benefit from it disproportionately to the developing world.³ Pogge recognizes humans naturally create things that are good for them. And, what is good for those with the power to form institutions is unlikely to be what is best for the global poor. "Wealth affects one's perceptions and sentiments, makes one less sensitive to the indignities of poverty and more likely to misperceive one's affluence as richly

³ Pogge, Thomas W. World Poverty and Human Rights. Cambridge, UK: Polity P, 2002. p.13

deserved and in the national interest.”⁴ In light of this reality, the “Western states” are met with a responsibility to reform the institutions so they stop harming others. Pogge sides with libertarians who find, “The distinction between causing poverty and merely failing to reduce it morally significant...”⁵ This idea of non-maleficence shapes the Poggean philosophy and contrasts sharply with the idea that the problem of poverty is one of practicing effective beneficence in order to satisfy our obligation to give to the poor from our plenty.

Philosopher: Thomas Pogge

What is the problem to be solved?

The problem to be solved is global injustice. Pogge asserts that the word “justice” is associated with the “equitable treatment of persons and groups.” Central to Pogge’s argument is the role of “social institutions” in impeding social justice. These institutions can be understood as a “social system’s practices which govern interactions among individual and collective agents as well as their access to material resources.”⁶ Pogge defines an institutional order as “the totality of the more fundamental and pervasive institutions of a social system.”⁷ To evaluate the morality of institutional order one must presuppose a measure to gauge how institutions “treat the persons they

⁴ Pogge, Thomas. "Growth and Inequality: Understanding Recent Trends and Political Choices." *Dissent* Jan. 2008. 23 Mar. 2008
<<http://www.dissentmagazine.org/article/?article=990>>.

⁵ Pogge, Thomas W. *World Poverty and Human Rights*. Cambridge, UK: Polity P, 2002. p.13

⁶ Pogge, Thomas W. *World Poverty and Human Rights*. Cambridge, UK: Polity P, 2002. p.31

⁷ Pogge, Thomas W. *World Poverty and Human Rights*. Cambridge, UK: Polity P, 2002. p.31

affect.” It is important to note that social institutions can affect non-participants. Pogge uses the United State’s political and economic institutions as an example writing that our institutions impact, “foreign investment, trade flows, world market prices, interest rates, and the distribution of military power,” which, “greatly affects the lives of many persons who are neither citizens nor residents of this country.”⁸ Pogge suggests using the concept of human flourishing as an evaluative tool.

Human flourishing is defined as a concept “broader than many other concepts that mark more specific such assessments – including those of pleasure, wellbeing, welfare, affluence, and virtue.”⁹ Justice, then, is reached when the basic goods needed to reach a threshold level of human flourishing are available. However, four limits apply to the provision of basic goods. First, the basic goods are limited to essential goods. Second, persons should be limited to a minimally adequate share of essential goods. Third, persons must have access to the essential goods. Fourth, the access should be limited probabilistically. Probabilistically limited access means that not everyone affected by an institution has “absolutely secure access to all goods” but that all affected are “sufficiently well protected.” For example, your “physical integrity” cannot be guaranteed 100 percent as “it cannot be ruled out that some punks or even police officers will attack you without provocation.”¹⁰ The distinction, then, is that the “probability of such an attack does not exceed certain limits.”¹¹ When probabilistically

⁸ Pogge, Thomas W. World Poverty and Human Rights. Cambridge, UK: Polity P, 2002. p.32

⁹ Pogge, Thomas W. World Poverty and Human Rights. Cambridge, UK: Polity P, 2002. p.27

¹⁰ Pogge, Thomas W. World Poverty and Human Rights. Cambridge, UK: Polity P, 2002. p.38

¹¹ Pogge, Thomas W. World Poverty and Human Rights. Cambridge, UK: Polity P, 2002. p.38

limited access to a minimally adequate share of essential goods is met, institutional schemes are just.

This concept of basic goods proves difficult to measure quantitatively. Pogge suggests determining a proxy to gauge a person's level of access to the basic goods necessary to reach a minimum level of human flourishing.¹² The proxy is poverty defined in socioeconomic terms – thus Pogge narrowly defines “poverty” in socioeconomic terms using the World Bank threshold of less than two dollars per day (this is slightly more generous than the World Bank standard for absolute poverty which is less than one dollar per day).

Pogge provides examples of “poverty” that illustrate his use of an economic definition of poverty. “The analysis shows that the problem of world poverty ... is amazingly small in economic terms: The aggregate shortfall from the World Bank's \$2/day poverty line of all those 40 percent of human beings who now live below this line is barely \$300 billion annually, much less than what the United States spends on its military. This amounts to only 0.7 percent of the global product or less than 1 percent of the combined GNIs of the high-income countries.”¹³ Pogge sees socioeconomic rights as “the most frequently unfulfilled human rights” and that the lack of these rights “plays a major role in the global deficits in civil and political human rights.” Pogge suggests that

¹² Pogge, Thomas W. World Poverty and Human Rights. Cambridge, UK: Polity P, 2002. p.38

¹³ Pogge, Thomas. "Growth and Inequality: Understanding Recent Trends and Political Choices." Dissent Jan. 2008. 23 Mar. 2008
<<http://www.dissentmagazine.org/article/?article=990>>.

growth should be assessed in terms of its effect on the economic position of the poor.¹⁴

Pogge does not propose a simple redistribution of wealth, but a change in harmful institutions that impede such a fair distribution.

Malificent institutions are important because they perpetuate the poverty cycle by precluding change from the grassroots level. When people are concerned about survival then they are less likely to band together and fight a political battle against the government. Instead, they are foraging for food and shelter. Socioeconomic poverty protects political regimes because people of low socioeconomic status have less ability to combat municipal corruption, abuse and neglect. Socioeconomic poverty decreases the likelihood of education, an enabling resource that equips people to organize a successful resistance against an oppressive regime. Without resistance from constituents, rulers have the luxury not to focus on poverty issues and the quality of life for the impoverished will not improve. Oppressive authoritarian regimes thus inhibit human flourishing.

What are the impediments to solving this problem?

The impediment to solving the problem of global injustice is the global institutional order. It is first important to understand specifically what our institutional order is and how it harms the global poor. Legal global resource rights (not human), the international borrowing privileges and protectionist trade rules are three institutions

¹⁴ Pogge, Thomas. "Growth and Inequality: Understanding Recent Trends and Political Choices." Dissent Jan. 2008. 23 Mar. 2008 <<http://www.dissentmagazine.org/article/?article=990>>.

that, Pogge believes, prop up corrupt authoritarian “and often brutal” governments.¹⁵ By suggesting the developed world reform institutions to “reduce the expected rewards of coups d’états,” Pogge implies that the payoff to a successful coup is an impediment to the spread of democracy.¹⁶ Pogge connects autocratic rulers to global injustice writing, “Their flawed economic regimes impede national economic growth and a fairer distribution of the national product.”¹⁷

Pogge questions what a fledgling democratic government can do to entrench democracy and thus to reduce political instability. Given Pogge’s emphasis on the global institutional order, it is not surprising that he writes, “My response focuses not so much on measures that make a coup d’état more difficult as on measures that render a successful coup less lucrative.”¹⁸ Pogge believes that “predators should be less likely to strike as the expected payoff associated with victory is reduced.”¹⁹ Pogge contends resource rights act as incentives for corrupt governments because “International corporations are willing to buy natural resources from any government no matter how it has come to power. Successful rebels are rewarded.” Though the resource rights afforded to developing nations is an institution from which developed nations benefit, “It is a disaster for resource-rich developing countries, turning the wealth that should benefit them into a curse that leads to a cycle of coups, civil wars and corruption and is

¹⁵ Pogge, Thomas W. World Poverty and Human Rights. Cambridge, UK: Polity P, 2002. p.162

¹⁶ Pogge, Thomas W. World Poverty and Human Rights. Cambridge, UK: Polity P, 2002. p.152

¹⁷ Pogge, Thomas W. World Poverty and Human Rights. Cambridge, UK: Polity P, 2002. p.110

¹⁸ Pogge, Thomas W. World Poverty and Human Rights. Cambridge, UK: Polity P, 2002. p.152

¹⁹ Pogge, Thomas W. World Poverty and Human Rights. Cambridge, UK: Polity P, 2002. p.153

of little benefit to the people as a whole.”²⁰ Studies have shown that having resources “exacerbates income inequality between the populace and the political elite. The resources can be extracted, sold for profits and the country’s poor may never benefit. The regimes that control the revenues have little incentive to invest in the education, training, or health of the people.”²¹ Approximately 3.5 billion people live in countries where extractive commodities play an important role in the economy.²² A few examples of countries suffering from the “resource curse” are Nigeria, Sierra Leon, and Equitorial Guinea. Research supports a causal relationship between the amount of natural resources and poverty levels in a county. “Countries that derive a large portion of their national income from high-value extractive resources—such as oil, diamonds, and gold—are especially susceptible to three overlapping curses.” The three “curses” are authoritarian governments, greater risk for civil war and coup attempts, and a lower rate of economic growth.

It is important to note, however, that “abundant resources are neither necessary nor sufficient for authoritarian repression, civil conflict, or low growth.” However, economists find that when the “resource curse hits... the wealth of a country bypasses its citizens and in fact contributes to their suffering.”²³

Pogge views borrowing privileges as another expected reward of a successful coup d’état. The institutional order gives borrowing rights and therefore, has the power to take away the borrowing rights by “creating some international [authority] which a

²⁰ Singer, Peter. "What Should a Billionaire Give?" [New York Times.Com](http://www.nytimes.com/2006/12/17/magazine/17charity.t.html?pagewanted=1&_r=1&sq=thomas%20pogge&st=nyt&scp=1). 17 Dec. 2006. New York Times. 21 Apr. 2008
<http://www.nytimes.com/2006/12/17/magazine/17charity.t.html?pagewanted=1&_r=1&sq=thomas%20pogge&st=nyt&scp=1>.

²¹ Wenar, Leif. "Property Rights and the Resource Curse." [Policy Innovations](#). 30 Apr. 2007. Carnegie

²² Wenar, Leif. "Property Rights and the Resource Curse." [Policy Innovations](#). 30 Apr. 2007. Carnegie

²³ Wenar, Leif. "Property Rights and the Resource Curse." [Policy Innovations](#). 30 Apr. 2007. Carnegie

fledgling democratic government could preauthorize to intervene in the event that it is overthrown by a predator."²⁴ Reforming the institutional borrowing rights, so that a higher authority defends democracy, would act as a deterrent to coup attempts. Additionally, Pogge suggests a constitutional amendment to further undermine the borrowing privileges of authoritarian predators. The amendment would keep debts incurred by unconstitutional governments from being serviced at the expense of the public.²⁵ Pogge writes that the amendment would weaken the incentives for autocratic rulers. Again, "The amendment would stabilize our fledgling democratic order by reducing the payoff associated with a successful coup d'état."²⁶

The trade rules and regulations the developing world imposes on the global marketplace are also an institution that impedes economic growth and thus the likelihood of achieving global justice in the developing world. Pogge believes that export results for the poor countries are strongly interdependent on our rules and regulations. Pogge writes, "But export opportunities into the affluent countries' markets are tightly limited by protectionist barriers—quotas, tariffs, anti-dumping duties, export credits and subsidies."²⁷ Pogge suggests that the globalization fostered by the World Trade Organization perpetuates the inequalities we should be minimizing.²⁸

Each of these institutions – resource rights, borrowing privileges and trade rules – make a successful coup d'état more lucrative thereby promoting political instability.

²⁴ Pogge, Thomas W. *World Poverty and Human Rights*. Cambridge, UK: Polity P, 2002. p.153

²⁵ Pogge, Thomas W. *World Poverty and Human Rights*. Cambridge, UK: Polity P, 2002. p.154

²⁶ Pogge, Thomas W. *World Poverty and Human Rights*. Cambridge, UK: Polity P, 2002. p.154

²⁷ Pogge, Thomas. "Growth and Inequality: Understanding Recent Trends and Political

²⁸ Pogge, Thomas. "Growth and Inequality: Understanding Recent Trends and Political Choices." *Dissent* Jan. 2008. 23 Mar. 2008 <<http://www.dissentmagazine.org/article/?article=990>>.

And political instabilities have consequences on economic growth. Unpredictable authoritarian regimes tend to discourage international investment and development.²⁹ Moreover, rulers may block poverty-fighting efforts from international organizations without fearing retribution from the impoverished overwhelmed with the task of survival. Without government cooperation and support, there is only so much that international organizations can do to improve the quality of life across an entire nation. Domestically, the cost of war stunts economic growth. One research finding estimates the economic cost of a “typical civil war” to be 250 percent of that country's GDP at the start of the conflict. When political instability inhibits socioeconomic advancement it leaves persons in the developing nation less likely to secure access to basic goods essential for achieving a minimal level of human flourishing.

Pogge suggests that employing his “institutional understanding” of poverty is advantageous because it does not require a pinpointed definition of poverty to move forward. Many approaches to fighting poverty force adherence to a concept of poverty in order move on to solutions. However, the Poggean approach requires only a consensus that the developing nations’ poor have an indecent standard of living that should not be tolerated, and that institutions we created and benefit from are the cause of an indecent quality of life. Pogge is not overly concerned with the definition of poverty because it is not a pivotal aspect of his argument. Pogge writes, “All this is not to say that it makes no difference which rights we single out as human rights. But if my institutional understanding indeed reduces the philosophical and the practical-political

²⁹ Wenar, Leif. "Property Rights and the Resource Curse." Policy Innovations. 30 Apr. 2007. Carnegie

importance of the actual controversies about this question, then this is another reason in its favor.”³⁰ By asserting that a negative duty is in play, Pogge’s institutional argument bypasses the speed bump of differences in defining poverty. Thus Pogge encourages the developed world to reorient its fixation from defining poverty to moral arguments. He writes, “Even if we continue to disagree about which goods should be included in a conception of human rights, we can then – provided we really care about the realization of human rights rather than about the ideological propaganda victories – work together on the same institutional reforms.”³¹

What is our duty in light of these impediments?

As shown in the preceding section, Pogge believes the global institutional order is not just. If one is convinced that our institutions harm others, then there are powerful implications in light of our morality. Based on the principles of non-maleficence, developed nations have a negative duty to reform the institutional order. Pogge argues that our negative duty is based on “the damage we cause the poor of the world through unjust economic institutions.”

According to the moral philosophy concept of positive and negative duties, we have a negative duty to “do no harm,” and a positive duty to help or protect. Negative duties are stronger, trumping positive duties. For example, I have a negative duty not to throw someone in a pool and this negative duty is more important, morally speaking, than my positive duty to rescue someone from drowning. When applied to poverty

³⁰ Pogge, Thomas W. World Poverty and Human Rights. Cambridge, UK: Polity P, 2002. p.70

³¹ Pogge, Thomas W. World Poverty and Human Rights. Cambridge, UK: Polity P, 2002. p.70

eradication the concept of negative duty has great implications for the developed world. We have a negative duty to withdraw from and reform the institutions that are causing poverty by providing incentives for corrupt governments.

The idea that negative duties trump positive duties has implications for the Poggean argument - we should place priority on our negative duty to withdraw from and reform the unjust institutions over positive duties. Pogge writes, "As long as we think in terms of positive duty alone, we tend to place a low value on that which is foreign and far away. But if we realize that we are hurting people through our action or inaction, this awakens our sense of negative duty." Additionally, Pogge asserts that this negative duty should take priority among other negative duties because it far outweighs any other damage we cause.³² Pogge says, "We should remember that it is our own global institutions that make it overwhelmingly likely that these countries will not experience good governance." In response to comments such as, "We ought to be doing more [to eradicate poverty]," Pogge says that his argument is, "No no. You aren't not only doing anything to eradicate poverty, you are doing far too much to entrench and aggravate poverty through these institutions."³³

Pogge contends that developed nations have incorrectly assessed the role the developed world should play in eradicating global economic injustices because developed nations have failed to recognize our connection to global injustices as a causal relationship. Pogge writes, "My impression is that most people in the rich

³² Pogge, Thomas. Interview. [PolicyInnovations.Org](http://www.policyinnovations.org/ideas/media/audio/data/000082). 8 Dec. 2006. 19 Mar. 2008 <<http://www.policyinnovations.org/ideas/media/audio/data/000082>>.

³³ Pogge, Thomas. Interview. [PolicyInnovations.Org](http://www.policyinnovations.org/ideas/media/audio/data/000082). 8 Dec. 2006. 19 Mar. 2008 <<http://www.policyinnovations.org/ideas/media/audio/data/000082>>.

countries think of our global economic order as basically just..."³⁴ Our view of poverty eradication as a positive duty rather than as a negative duty is, Pogge believes, why we tolerate "the persistence of extensive and severe poverty abroad." This viewpoint may explain our lesser sense of urgency in poverty-fighting efforts.

Pogge provides multiple examples to support his view that rich countries see poverty eradication as a positive duty rather than as a negative duty. Pogge cites our willingness to be lackadaisical in our commitment to poverty fighting as proof that we are not placing priority on the issue – an indication we view poverty as a positive duty. Pogge is skeptical that our even our modest goals will be met citing that, "The number of chronically undernourished, for instance, rose from 'nearly 800 million' in 1996, to 830 million in 2006." Pogge feels that "creative accounting" will illude affluent countries to believe that we met our goals and that global poverty is disappearing. "Thus far, official concerns about poverty and inequity are mostly rhetorical," Pogge says.³⁵

Pogge mockingly references the Millennium Development Goals calling them "The grandest global initiative to promote equity and the eradication of poverty....epitomized by the commitment to halve extreme poverty worldwide by 2015." Pogge notes that in 2000 the MDGs were portrayed as new and ambitious. However, the same goals had been introduced four years ago in 1996 at the UN-organized World Food Summit in Rome. In 1996, 186 governments had agreed to "pledge our political will and our common and national commitment to achieving food

³⁴ Pogge, Thomas W. *World Poverty and Human Rights*. Cambridge, UK: Polity P, 2002. p.95

³⁵ Pogge, Thomas. "Growth and Inequality: Understanding Recent Trends and Political Choices." *Dissent* Jan. 2008. 23 Mar. 2008
<<http://www.dissentmagazine.org/article/?article=990>>.

security for all and to an on-going effort to eradicate hunger in all countries, with an immediate view to reducing the number of undernourished people to half their present level no later than 2015. Pogge makes a convincing argument that the goals are “grotesquely under ambitious” – that they lack the sense of urgency we should have in poverty-eradication in light of our negative duty.

Pogge writes, “This pledge envisions a 19-year poverty reduction that, if linear, can be expected to witness 250 million deaths from poverty-related causes. At the envisioned endpoint, in 2015, there would still be 543.9 million extremely poor people and 9 million annual poverty deaths.³⁶ Even more troubling to Pogge, however, is that The United States “instantly disowned responsibility” by issuing a statement that said, “The attainment of any ‘right to adequate food’ or ‘fundamental right to be free from hunger’ is a goal or aspiration to be realized progressively that does not give rise to any international obligations.”³⁷ Pogge criticizes these “subtle reinterpretations” of the MDGs. A number of technicalities in measurements have, according to Pogge’s research, “slashed by 361.3 million the 543.9 million reduction promised earlier.”

Pogge’s criticism shows his dissatisfaction with the developing world’s unwillingness to accept moral responsibility for global poverty. Pogge writes, “Considering this situation from a moral standpoint, we must now assess growth—both globally and within most countries—in terms of its effect on the economic position of the poor. Designing economic institutions and policies by this standard may well entail

³⁶ Pogge, Thomas. "Growth and Inequality: Understanding Recent Trends and Political Choices." *Dissent* Jan. 2008. 23 Mar. 2008 <<http://www.dissentmagazine.org/article/?article=990>>.

³⁷ *Ibid.*, Final Report of the World Food Summit, Part I, Annex II.

a sacrifice in aggregate economic growth. But this sacrifice is morally imperative.”³⁸

Moreover, the way the developed world approaches the MDGs suggests the developed world views these written goals as an inspiration rather than as a duty. The developed world’s approach to the MDGs suggests a positive attitude toward decreasing poverty, but not a sense of responsibility to right a wrong.

Why should we satisfy our negative duty?

Pogge argues that eradicating poverty is more compelling and urgent than ever. First, the developed world subscribes to the notion of moral universalism for satisfying our negative duties. Pogge asserts that earlier generations were not committed to “moral universalism,” whereas today it is “widely accepted.”³⁹ Due to moral universalism all humans have equal moral status, so the value of human life is equal. Second, Pogge points to three resource factors that should resonate with developed nations in a moral assessment of the current economic order: (1) the extent of absolute poverty, (2) the extent of inequality, and (3) the trend of how poverty and inequality tend to develop over time.⁴⁰ Past generations were less affluent in absolute terms and in relative terms. In the past, poverty eradication would have required a major shift in global income distribution. Today, Pogge believes, the opportunity cost would be barely noticeable – the required shift would be small.⁴¹ Pogge offers a twist on inequality, arguing that the greater extent to which there is inequality today means there will be

³⁸ Pogge, Thomas. "Growth and Inequality: Understanding Recent Trends and Political Choices." Dissent Jan. 2008. 23 Mar. 2008 <<http://www.dissentmagazine.org/article/?article=990>>.

³⁹ Pogge, Thomas W. World Poverty and Human Rights. Cambridge, UK: Polity P, 2002. p.92

⁴⁰ Pogge, Thomas W. World Poverty and Human Rights. Cambridge, UK: Polity P, 2002. p.96

⁴¹ Pogge, Thomas W. World Poverty and Human Rights. Cambridge, UK: Polity P, 2002. p.92

less sacrifice to the affluent. The relatively smaller sacrifice required of those with wealth to significantly improve the lives of the poorest of the poor should motivate the developed nations.

Policy Recommendation: Global Resource Dividends

Pogge recommends solutions for developed nations to pursue that will “protect [institutional order] victims and promote feasible reforms that would enhance the fulfillment of human rights. Pogge dedicates the final chapter of *World Poverty and Human Rights* to a proposal of a “Global Resources Dividend” (GRD).⁴² A global resource dividend would compensate for resource privileges and unfair trade practices. Pogge envisions GRDs as a tool that would decrease the incentives for autocratic, corrupt developing world rulers. In doing so, GRDs would mitigate the downside risks of the institutional order to developing nations.

Pogge defines the GRD as a requirement for states and their governments to “share a small part of the value of any resources they decide to use or sell,” and the proceeds of a GRD will be used to increase the access people have to the basic goods needed for minimal human flourishing. The goal, then, is for all persons to “effectively defend and realize their basic interests.”⁴³ This relates to the earlier discussion of human flourishing. By correcting inadequate access to provide reasonably secure access to the minimum amount of essential goods necessary for a minimal level of human flourishing, justice is achieved.

⁴² Pogge, Thomas W. *World Poverty and Human Rights*. Cambridge, UK: Polity P, 2002. p.196

⁴³ Pogge, Thomas W. *World Poverty and Human Rights*. Cambridge, UK: Polity P, 2002. p.196

Businessman Gates

What is the problem to be solved?

Both Gates and Pogge seek to solve a problem but do not limit it to a socioeconomic deficiency. The problem is a comprehensive set of factors that fail to reach some minimum threshold necessary to achieve an adequate standard of living. In practice, this view is a similarity between Gates and Pogge. Gates said at Davos, "There are roughly a billion people in the world who don't get enough food, who don't have clean drinking water, who don't have electricity, the things that we take for granted. Diseases like malaria that kill over a million people a year get far less attention than drugs to help with baldness."⁴⁴ Gates' list of improvements gives insight on the areas he values in defining a minimum quality of life. Gates notes the status of women and minorities in society and views the nearly doubling of life expectancy during the last 100 years as significant. He indicates the importance of voting in elections and having the ability to express opinions as means for overcoming poverty.

What are the impediments to solving this problem?

Gates sees rising inequality as an impediment to eradicating poverty. Gates says, "The world is getting better, but it's not getting better fast enough, and it's not getting

⁴⁴ Gates, Bill. "Bill Gates: World Economic Forum 2008." Microsoft Corporation. 24 Jan. 2008. Microsoft Corporation. 31 Mar. 2008 <<http://www.microsoft.com/Presspass/exec/billg/speeches/2008/01-24WEFDavos.msp>>.

better for everyone.” By saying “It’s not getting better for everyone” Gates foreshadows a later portion of his Davos talk on addressing global inequities. “The great advances in the world have often aggravated the inequities in the world. The least needy see the most improvement, and the most needy get the least.”⁴⁵ Pogge agrees with Gates that intervention is needed in high-inequality countries like those of Latin America. *World Poverty and Human Rights* shows that “high-inequality countries” have been resistant to inequality-lowering reforms, while low-inequality countries find it easy to keep inequality low. Gates, like Pogge, also recognizes the lack of incentive for the elite to give attention to inequality issues.

Insufficient benevolence is another impediment to solving poverty as defined by Gates. Gates writes, “Businesses have not done enough – those who have been given a lot are expected to give back a lot.”⁴⁶ Gates and Pogge share the view that rich countries do not have a proper sense of urgency – the lack of which impedes more robust poverty-fighting efforts. However, Gates’ argument is clearly an argument to be more beneficent, starkly contrasting a call to non-maleficence.

What is our duty in light of these impediments?

Gates’ call to do more reveals his view of poverty fighting as beneficence. Gates believes that poverty does not come from outside forces of maleficent global institutions, though outside forces can act on impoverished situations to realize change.

⁴⁵ Gates, Bill. "Bill Gates: World Economic Forum 2008." Microsoft Corporation. 24 Jan. 2008. Microsoft Corporation. 31 Mar. 2008 <<http://www.microsoft.com/Presspass/exec/billg/speeches/2008/01-24WEFDavos.msp>>.

⁴⁶ Gates, Bill, and Melinda Gates. "Letter From Bill and Melinda Gates." Bill and Melinda Gates Foundation. Bill and Melinda Gates Foundation. 21 Apr. 2008 <<http://www.gatesfoundation.com/AboutUs/OurValues/GatesLetter/>>.

Gates may believe that poverty has always been present in the country as a result of the government and people living there. Therefore, Gates views poverty as an unfortunate circumstance, but not as our fault. However, Gates asserts that we do have a responsibility – having been given good circumstances in life – to improve people in developing nations’ quality of life. This differs from Pogge who sees a causal link between institutions that we created and poverty which is why Pogge argues on the basis of non-maleficence.

Gates views poor incentives as the principal impediment to businesses from doing more to help the world’s poor. Pogge would retort, “We must stop thinking about world poverty in terms of helping the poor. The poor do need help, but only because of the terrible injustices they are being subjected to.”⁴⁷

Gates has a more positive view of our poverty-fighting efforts than Pogge. He said at Davos, “In significant and far-reaching ways, the world is a better place to live than it has ever been.” Gates offers examples of improvements that show progress. He also presents evidence which undermines the validity of a “resource curse.” “Consider governance, the number of people today who vote in elections, express their views, and enjoy economic freedom compared to any time in the past.” Gates’ figures are relative. Pogge contends, by contrast, that we should measure in absolute terms because it provides a more accurate idea of our progress (or lack thereof).

Why and how we are falling short

⁴⁷Pogge, Thomas W. World Poverty and Human Rights. Cambridge, UK: Polity P, 2002. p.23

We are falling short because the very poor are not heard in the global economy. Gates says, "...the bottom billion misses the benefits of the global economy." Moreover, those who miss out are most affected by the negative consequences of growth such as environmental damage.⁴⁸ Gates believes that the world's poor can be served by innovating markets. "The poor have no way of expressing their needs in ways that matter to the market, so they go without," Gates said. Gates advocates expanding access to global markets to provide poor country entrepreneurs opportunities to sell in rich country markets. Like Pogge, he calls for institutional reforms, but he does not require an overhaul of the global institutional order.

Instead Gates focuses on the marketplace. Gates and Pogge agree that the markets fail systematically by serving only the wealthy. In a system of capitalism, the markets provide financial incentives to serve people with wealth. The markets "fail" because as wealth decreases, the financial incentives to serve people also decrease until they reach zero. Gates asserts "Profits are not always possible when business tries to serve the very poor" and he seeks to refine the marketplace so that the markets provide an incentive to serve even people without wealth.

Gates suggests that markets fail to serve the poor because the only incentives for business are in the form of profits. Contending that self-interest and caring for others drives humans, Gates seeks to reform markets in such a way that our drive to care for others becomes an incentive to serve the poor. To accomplish this goal, Gates

⁴⁸ Gates, Bill. "Bill Gates: World Economic Forum 2008." Microsoft Corporation. 24 Jan. 2008. Microsoft Corporation. 31 Mar. 2008 <<http://www.microsoft.com/Presspass/exec/billg/speeches/2008/01-24WEFDavos.msp>>.

suggests a system that “would have a twin mission” to make profits and to improve the quality of life for those in developing countries that the markets currently fail to reach. Post-reform, recognition would be a meaningful reward for businesses.

Policy Recommendation: Creative Capitalism

Gates believes we can start severely reducing poverty now. He has coined “Creative Capitalism.” Creative Capitalism is “an approach where governments, businesses, and nonprofits work together to stretch the reach of market forces so that more people can make a profit, or gain recognition, doing work that eases the world's inequities.” Creative capitalism calls for system innovations discussed in the previous section – to reform markets in such a way that markets provide meaningful incentives for businesses to serve the poor.

Gates does not share Pogge’s conviction that efforts are futile until institutions are reformed. In contrast Gates writes, “To effect lasting change, we must collaborate with governments, business, and other nonprofit organizations.”⁴⁹

The main tenet of Creative Capitalism is that markets don’t give proper incentives to get businesses interested in benevolent behavior. Markets are a central part of the solution to Gates because he believes they will provide economic opportunity and enable “billions of people who need the great inventions of the computer age, and many more basic needs as well” to meet those needs.⁵⁰ Gates wants

⁴⁹ Gates, Bill, and Melinda Gates. "Letter From Bill and Melinda Gates." Bill and Melinda Gates Foundation. Bill and Melinda Gates Foundation. 21 Apr. 2008 <<http://www.gatesfoundation.com/AboutUs/OurValues/GatesLetter/>>.

⁵⁰ Gates, Bill. "Bill Gates: World Economic Forum 2008." Microsoft Corporation. 24 Jan. 2008. Microsoft Corporation. 31 Mar. 2008 <<http://www.microsoft.com/Presspass/exec/billg/speeches/2008/01-24WEFDavos.msp>>.

to use his influence to change the marketplace. He proposes markets do this through two motivators: traditionally through profits or through recognition. Creative capitalism calls for using profits where possible to motivate businesses to serve the poor. When profits are insufficient incentives to serve the very poor, Gates suggests using the second motivator, recognition. In its raw form, recognition is non-monetary. Gates envisions a marketplace where recognition leads to increased sales. In Creative Capitalism, refined markets turn the increased publicity from serving the poor into profits. By contending that businesses need to view recognition as “profit,” Gates admits that the solution for fighting poverty is through money-making endeavors for businesses in the developed world.

Creative Capitalism is Gates’ form of institutional reform. It is not just hand-out charity. Gates introduces his concept of “Creative Capitalism” at Davos saying, “If we are going to have a chance of changing their lives, we need another level of innovation. Not just technology innovation, we need system innovation.” Pogge and Gates agree that markets and capitalism, properly contributed, can diminish poverty.

Gates offers some additional examples of Creative Capitalism. For instance, there is a partnership that gives African farmers access to the premium coffee market, with the goal of doubling their income.⁵¹ A corporation that allows top employees to spend a percentage of time on innovations for people left out of the global economy is also an example of Creative Capitalism. Gates believes, “This kind of contribution is

⁵¹ Gates, Bill. "Bill Gates: World Economic Forum 2008." Microsoft Corporation. 24 Jan. 2008. Microsoft Corporation. 31 Mar. 2008 <<http://www.microsoft.com/Presspass/exec/billg/speeches/2008/01-24WEFDavos.msp>>.

even more powerful than giving cash or offering employees' time off to volunteer. It is a focused use of what your company does best.” Also important to Creative Capitalism is finding ways to measure the poverty-fighting efforts so that we can gauge how much recognition a good work deserves. Gates asserts that accepted measures will then “ensure that recognition bridges market-based rewards to businesses.”

Conclusions

Pogge and Gates see different causes of poverty and this difference manifests itself in two significant ways. First, Pogge and Gates suggest different reasons for fighting poverty: non-maleficence and beneficence, respectively. Pogge’s principle of non-maleficence is not compatible with Gate’s principle of beneficence. Second, Pogge and Gates suggest different institutions should be reformed. Again, their views are not compatible. Pogge believes that until the suggested institutions are reformed, then poverty will not be reduced in a meaningful way. Therefore, if one believes Pogge, one cannot believe that the reforms Gates proposes will make a meaningful difference. Overall, the two views are not compatible because if you believe that the institutional order must be reformed first, then you cannot believe that the benevolent actions Gates suggests will make a significant difference under the current global institutional order.

That being said - having to choose one or the other - I choose Pogge because I find his argument connecting the global institutional order to the persistence of poverty convincing. However, I believe that most people will not take the time reach this

conclusion for a few reasons. First, Gate's proposal is more agreeable to our palate. Those of us living in the developed world do not like the idea of accepting responsibility for improving the quality of life for the 1.3 billion people with a terrible standard of living because we are, in effect, causing this terrible standard of living. Second, Gate's proposal is more accessible. He delivers the idea in a speech - without a lot of complex philosophical concepts. You can watch it in twenty minutes on Youtube.com while sitting in your office anywhere in the world. Pogge's book takes more time and effort to consume and mentally digest. Additionally, we are familiar with the idea of beneficence, and somewhat familiar with the solutions. Basically Gates is calling to scale up mainstream poverty-fighting efforts. To clarify, the concept of beneficence found in Gates' proposal is not, easier to understand than the concept of non-maleficence found in Pogge's writing. It is the amount of time and effort it takes one to hear the argument that differs. A third reason most people will not take the time to reach the point where they choose Pogge is that Gates' proposal requires less sacrifice. Both require sacrifice - Gates asserts this when distinguishing b/t the "poor" and the "very poor." Pogge asserts this when discussing redistribution of wealth. However, due to the less socially acceptable nature of Pogge's argument, it will likely require more sacrifice on behalf of those willing to step out (in economic and non-economic terms).

In conclusion, Gates' message is easier to hear because it does not cast blame on us for benefiting from maleficent institutions and it does not demand that we reform those institutions that serve our interests before converting the global markets to Creative Capitalism. For Pogge, it is not enough to be benevolent. Those of us in the

developed world must recognize and remedy the harm we are causing. Unless we do that, all of the benevolence in the world will not make a difference. Neither Pogge nor Gate's proposal is easy, and one is no less complicated than the other. As Gates rolls out plans to spend billions of dollars each year on poverty reduction I submit that, perhaps, some of this money should be channeled into a fund titled, "Global Institutional Order Reform."

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