Contesting the Global Rules of the Game

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South-South Cooperation

Cooperation for What?

Development.

What is Development?

Realizing the Human Rights of the Poor – ensuring that the needs, interests and voices of the poor play their fair role in the design of national and international institutional arrangements.
Income Shares of Global Population Segments

- Top 5%: 42.77%
- Next 20%: 42.20%
- Next ¼: 10.64%
- 3rd ¼: 3.17%
- 4th ¼: 1.22%
Wealth Shares of Global Population Segments

- Richest 1% have 50.4%
- Other 99% have 49.6%
Global Wealth Distribution Trend

Share of global wealth 2010-2015

- % share of global wealth
- Richest 1% (blue)
- Other 99% (green)
Wealth Shares of Global Population Segments

How many billionaires does it take to match the wealth of the poorer half of humanity?

Poorest 50% 0.6%  
Richest 0.6%  
Rest 98.8%
Wealth Shares of Global Population Segments

How many billionaires does it take to match the wealth of the poorer half of humanity?

- Poorest 50%: 0.6%
- Richest: 0.0000008%
- Rest: 98.8%

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The rapidity of the upward shift in powers is explained in part by the fact that economic elites can exert more influence on political decisions when these are made at supranational levels. In that bargaining environment there is no democratic counterweight or revolutionary danger zone, there is little transparency even ex post, and moral restraints are easily dispelled by pointing out that international relations are a jungle in which moral self-restraints risk long-term survival.
The Most Cost-Effective Lobbying

seeks to shape the design of supranational/global institutional arrangements (WTO, G20, EU…) while also aiming to shift governance upward from the national to the supranational/global level;

is done by the very wealthiest banks, hedge funds, corporations, industry associations and individuals

by way of influencing government officials of major powers, esp. the US (softest target).
Lobbying Pays

The investment research firm Strategas selects each quarter the fifty S&P 500 companies that spend most on lobbying as a percentage of their assets. The Strategas Lobbying Index based on this exercise has outperformed the S&P 500 by whopping 11 percent a year over the 2002-2011 period.

*The Economist*, October 1, 2011

www.economist.com/node/21531014
Beat you in the lobby
Share prices, January 1st 2001=100

Lobbying index* relative to S&P 500

Sources: Strategas Research Partners; Thomson Reuters; *50 most intensive lobbyists in the S&P 500

The Economist
Raquel Alexander*, Susan Scholz, Stephen Mazza

The lobbying industry has experienced exponential growth within the past decade. ... In this paper we use audited corporate tax disclosures relating to a tax holiday on repatriated earnings created by the American Jobs Creation Act of 2004 to examine the return on lobbying. We find firms lobbying for this provision have a return in excess of $220 for every $1 spent on lobbying (cf. Larry Lessing: Republic Lost).
Supranational Institutional Architecture

National Institutional Schemes of the Various Less Developed Countries

- Poor and Vulnerable Citizens in the Less Developed Countries

- 4 Privileges
  - Pharmaceuticals
  - Labor Standards

- Illicit Financial Flows

- Protectionism
  - Pollution Rules
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<tr>
<td>Richest 0.01 Percent</td>
<td>5.02</td>
<td>0.86</td>
<td>6.04</td>
<td>+5.18</td>
<td>+602%</td>
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<td>Next 0.09 Percent</td>
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<td>1.79</td>
<td>6.24</td>
<td>+4.45</td>
<td>+249%</td>
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<td>6.30</td>
<td>11.23</td>
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<td>+78%</td>
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<td>13.09</td>
<td>15.17</td>
<td>+2.08</td>
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<td>Next 5 Percent</td>
<td>10.73</td>
<td>11.45</td>
<td>11.07</td>
<td>-0.38</td>
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