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The Social Contract Revisited

Towards a Global Social Contract: The Challenge of Hard Times

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Executive Summary

- Global inequality has risen in recent years, even in circumstances where aggregate growth rates have risen.

- In the recent global recession, developed nations have strengthened their own safety nets while cutting development assistance to poor nations. This approach reflects a response to the genuine needs of these countries' own citizens, but it has ignored the compelling claims of people outside of the boundaries of the wealthy nations.

- Although 'empathy across borders' is difficult for developed nations to foster among their own citizens, doing so is a moral obligation. When the testimony of people living in extreme poverty is heard, the depth of their suffering and urgency of their needs become apparent. Affluent nations and their citizens cannot ignore these experiences without undercutting the norms of solidarity on which their own welfare states are ethically grounded.

- Thus, the policy question confronting wealthy nations is not whether those nations should join with poor nations in a new global social contract. Rather, it is how this new contract can respond to the claims of the citizens of both rich and poor nations to decent lives and secure futures.

- Several methods of cross-class political dialogue can guide wealthy democracies as their social contracts shift toward a global approach.

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Ground zero

When you look out across Nima from the second-floor balcony of the Ghana Legal Resources Centre, you see a counterpane of metal roofs spread out across the hills that drain into what's called the 'Big Gutter'. Families design their homes out of tarpaper, rusted metal, and discarded cargo containers from merchant ships, sealing up the cracks with black plastic bags. These families make do without clean water, electric power, wastewater drainage, rubbish pick-up, or sewage disposal. This is the heart of the new global city. We could be anywhere in the Third World.

> *My name is Abdullah Abdul Muman. I am thirty-five years old. My house is right next to the big gutter. I have lived there for almost eleven years. It is very unhealthy next to the big gutter – there is always disease. My three children (aged fourteen, seven, and three) play around the gutter, which brings them sickness and disease. They get rashes, fever, and colds from the gutter. They also get cut by broken bottles in the gutter. It worries me to live where I do. It affects my mood every day – day and night. ... I can go into my room, but the wind brings it all in – the diseases and the smell that is so bad that I can't breathe. There are also a lot of flies that come when we eat. ... The gutter is especially dangerous during the rainy season. This past rainy season has damaged the bridge and made it difficult to cross the gutter. There is also a problem with erosion; houses fall into the gutter when it rains. I think my house is in danger, and I worry about my family. I worry that my house will collapse, and I fear for my children.*[1]

1. Excerpt from Affidavit of Abdullah Abdul Muman, taken by Harvard Law School students in January 2003 and read by Mr Muman at a public hearing in Nima, Accra, Ghana, in January 2003. Copy on file with Professor Lucie White at Harvard Law School.

These are hardly the best of times. The leaders of developed nations struggle to counter the impact of the global economic crisis on their own political futures and their citizens' everyday lives. The task is not easy. Even in the richest nations, citizens' fears about their own security fuel right-wing backlash: the murder of homeless, gay, and Roma peoples; the desecration of places of worship; spikes in the incidence of mental distress; the abuse of political prisoners – the list could go on. And along with such aggression comes the erosion of social solidarity and the consequent unravelling of the safety net programmes for the most vulnerable peoples, even if programmes for the displaced working class might expand. Indeed, even in the most stable Northern welfare states, foundational principles are threatened by fractious debate; layoffs climb; and economic migrants, often branded by racial difference, are exploited, stigmatized, and deported.

Meanwhile, in the Third World, people in unconscionably large numbers continue to die. Among these peoples, none have a more difficult time than those of places like rural India and China, the world's exploding global cities like Lagos and Mumbai, the Mississippi Delta, the hills of West Virginia, and the parched grasslands of sub-Saharan Africa. In that region, immutable geographic features made worse by climate change, endemic tropical diseases, histories of enslavement and brutal colonial occupation, the wholesale extraction and export of minerals, oil, and other natural resources, the dumping of Northern waste, continuing political domination by Northern powers, and ongoing political unrest have conspired to weaken peoples' capacities to preserve their lives. For these reasons, and because my own experience has, for the last decade, centred on West Africa, this policy brief will focus on that region, but only as an example. I will similarly use the United States as my example of

Northern nations because I am most familiar with both its policies toward Africa and the ways that the 'Great Recession' has affected them.

The world's radically impoverished peoples have been too often imagined by the globe's most affluent peoples as those 'Others' who are both too far away, and too close, to see. Yet, an increasing number of political theorists and moral philosophers are taking the position that this is not right: rather, radically impoverished peoples must be considered full parties to a new *global* social contract, one that responds to the great moral challenge of our time. In this policy brief, I ally myself with that position. I believe that radically impoverished peoples in the global South should not be excluded from the political deliberations that reallocate resources and refashion social welfare policies to respond to the hard times we now face. Rather, these out-of-sight peoples should be *acknowledged,* if not also *entitled* to take part in that politics in morally sensible and politically feasible ways.

I begin by reviewing the stock arguments, both pragmatic and normative, which respond to the question of *why* cross-border empathy, responsibility, and inclusion are imperative. Next, I ask whether empathy would make any difference. Finally, I consider the challenge of moving toward the goal of meaningful cross-border deliberation in the face of grossly unequal institutions, and capacities, for participation. In this section, I note the unremarkable fact that in hard times like the present, though the *need* for greater attention to the situation of radically impoverished peoples has grown, the impulse among affluent peoples to care across borders has declined. I then survey resulting Northern policies that, in the context of hard times, are hurting the world's most impoverished peoples in increasingly vicious ways. Finally, I consider several ambitious but feasible policies – by Northern governments and affluent peoples – that might begin to overcome the lapse in cross-border empathy by building the institutions and capacities that could make such participation possible. My guiding intuition is that the lapse in cross-border caring does not merely disrupt our capacity to see other people as co-equal global citizens. It also disables our capacity to live with *ourselves*.

Cross-border empathy: a convenient impasse

Many pundits have asked why the 'we' of the North should care about those in the Global South, especially as the world becomes, not without irony, both more wealth-divided and more networked. Most of the arguments against sustained attention to the lives of the radically impoverished in sub-Saharan Africa and other parts of the Global South are motivated by fear. This fear is obviously most intense among those who live near 'those other people', but it is equally at play among those who live oceans away. This fear serves to characterize the impoverished as a problem to be 'disappeared' or disciplined away.

The fears are more irrational than real. Their common underlying themes are invasion and contagion:

1. If we don't demobilize their hunger, they will sign up with global jihads;
2. If we get too close to their deprivation or those distasteful poster pictures we will be wracked with the guilt of privilege;
3. If poverty drives impoverished people North, *our* social contracts will become strained with overcrowded jails and hawking on our sidewalks.

In addition to such defensive hysteria, though, we can also hear some 'win/win' reasons to intervene. With sensible trade and migration policies, these impoverished places might eventually generate both improved livelihoods for their peoples and increased global wealth for us all. Indeed, the world's greatest resource goes wasted if these peoples' opportunities to develop their social and intellectual capital are blocked, often by *inaction* by those in the North. Yet these arguments in favour of developing the world's sprawling global 'slums' too often seem far-fetched when measured against their costs.

Thus, at the same time that a little hope and a whole lot of fear *can* drive cross-border concern, it

more often breeds denial and aggression. Since a billion impoverished people is too many to imagine, the inclination can all too easily be to keep them out of mind as well as to keep them beyond borders. Such disengagement is eased by post-modern, or is it libertarian, paralysis, borne of the concern that merely to acknowledge those impoverished people is to patronize them. Is it the responsibility of the North to decide, after all, that their habit of dying prematurely leaves them unhappy, from *their* perspective? Could it be that they welcome deliverance from their difficult lives? The upshot of all this rumination is a little humanitarian intervention, widespread denial, and waves of 'slum clearance' and mass evictions.

Almost as an afterthought, there are *some* moral arguments in favour of the sort of sustained empathy that might ground ethical responsibility and political inclusion, irrespective of cost. These can be distilled, in the end, to one: isn't it *wrong* to let them suffer? Shouldn't we feel some human commitment? Can't we muster up a little imagination? Human Rights doctrine has bootstrapped itself onto this moral argument. The relevant treaties and covenants gesture toward a mutual duty between Southern and Northern nations to seek, and to give, donor aid to enable the Southern nations to make the sorts of 'progressive realization' that these treaties demand. Like most human rights pronouncements, this duty is aspirational: even when a judge *orders* a nation to respect this injunction, the vagueness of the phrase deprives it of teeth. Yet such pronouncements do give the moral argument a patina of legal legitimacy.

Unfortunately, though, the moral and legal argument for more North to South action too often lacks the *emotional* force that might give it much traction, in terms of sustaining political action. Even well-wrought photographs, affidavits, and personal experiences that bring us up close to people's suffering too often do not help. For when confronted by first-person accounts of the 'Big Gutter', as the readers of this policy brief have been, witnesses often avoid engagement. For no matter how much one is moved in the moment, a post-modern counter-voice mocks such 'sentimentality' with whispers of 'victim pornography', ghost written statements, doctored photos, maudlin exaggeration, or downright lies. Such doubts work to undermine any stirrings of empathy, especially in the face of intellectual denial or moral confusion. Thus, paralysis, rather than political action, is likely to carry the day. The soft-hearted send occasional charity, the skeptics do nothing, the fearful plot defensive strategies, the realists let their self-interest repress their raw feelings, and those in favour of empathy and inclusion are in a very small minority.

Recent policies and future directions

This section rests on a counter-factual foundation. *If* empathic connection and political inclusion *were* to carry the day, would it make any difference? In the concluding section I will return to the problem of fostering empathy in a resistant citizenry, and ask whether any programmes or practices might move people in the affluent North in that direction. Even in good times, the negative effects of a collective failure at empathy and inclusion of those in the Global South have been profound. In hard times such as these, the effects are catastrophic.

To unpack the difference that hard times in the North might make in Africa, for instance, let us start with some background. Though scholars have differed on what can be done to counter extreme African poverty, many now agree that sub-Saharan social welfare systems, particularly health care, cannot be sustained without a *continual* flow of wealth transfers from Northern nations. Even in the best of times, short-term, high-interest, tightly conditioned loans only make things worse. In the 1980s and 1990s, during the era called Structural Adjustment, such a policy on the part of the International Monetary Fund (IMF), in particular, proved profoundly unsuccessful. The mandatory conditions attached to IMF health-sector loans sought to reform public health systems by compelling social service cut-backs, privatization, and consumer co-payments. Those policies proved catastrophic to destitute people, depriving them of the most urgent care, thus costing many lives.

Not only did this policy of conditioning loans on reforms in social welfare systems fray near-bankrupt Southern nations' social safety nets. Because the transfers were loans, the policy also saddled these struggling nations with huge debt service obligations, which often ate up as much as one-third of their entire annual budgets, including funds that would otherwise have been allocated for social services. In the early 2000s a global movement to forgive these nations' debts emerged, resulting in some relief. Yet three indelible lessons came from this policy fiasco:

1. these nations need Northern investment into their social sectors with neither the strings nor repayment obligations of loans;
2. because of the underlying historical and geopolitical challenges facing sub-Saharan Africa, this North–South flow of funds must be open-ended rather than short-term; and
3. overarching multilaterally negotiated priorities such as the Millennium Development Goals can assist these nations in targeting sectoral grants and soliciting technical assistance, but should not be made binding conditions for the receipt of ongoing donor grants.

Returning to the perspective of the North, this redistributive policy orientation requires that each Northern nation commit a substantial amount of money to African nations over the long term. Some progress in this regard was made when the Global Fund for AIDS, Tuberculosis, and Malaria, a multilateral effort to eradicate these killer diseases, set goals for contributions from each of the most wealthy nations. The United States' initial allocations to the Fund have been significantly less than the multilaterally negotiated targets. And that was in the boom years.

Global trade policies

In addition to paltry donations to the Global AIDS fund, the United States has been ungenerous about allocating funds to sub-Saharan Africa for other purposes. Second and often noted, both the United States and European nations have subsidized their own farmers' production of food staples, like rice, while taking the position that agricultural subsidies by African nations to their own farmers violate both trade agreements and the spirit of free trade. European states have done the same. This inequity has meant that both US and European growers can drive local African producers out of the market for supplying food staples to their own people as well as for export. Crops raised for export, like coffee, cocoa, and palm oil have similarly suffered on the global market, both because of the pressure on African nations to end subsidies on agricultural inputs like fertilizer and the fluctuation of global commodity prices. At the same time, multinational Big Agriculture conglomerates are starting to buy up African land to expand their own operations. These forces, combined with the global fluctuation in commodity prices, has translated into further destitution among bare subsistence African farmers, further migration to cities, and more preventable death.

Diplomatic disengagement

Such trade policies are not the only ones that gain support from Northern politicians without any significant protest from those that they represent. Several observers have noted the failure of the US government to make a prompt response to the Rwandan genocide or the ongoing atrocities in the Democratic Republic of the Congo. Others have observed how US heads of state have not ventured into sub-Saharan Africa until recently, and even then, rarely to do much more than make brief ceremonial visits, rather than engage in serious diplomacy. I could add more. The overall pattern, though, is that the stance toward sub-Saharan Africa, even in the best of times, has been characterized by policies that fail to provide needed funds, even based on formulas jointly negotiated by Northern nations; policies, such as agricultural subsidies, that directly promote Northern self-interest at Africans' expense; and policies that manifest indifference, disengagement, or disrespect for African governments and the people they represent.

The global impact of hard times

During hard times such as these, it has become much harder for US advocates to raise funds, either governmental or private, to address Africans' most

basic needs. Africans within the United States become even more likely to be deported if they are caught without the proper papers, thereby cutting off invaluable remittance sources. African humanitarian crises are too often overlooked. The familiar argument, that the problems are overwhelming, gains political traction, drowning out the rhetoric of 'Renaissance' that was widely touted during times of strong economic growth. Africa's exports sell for lower prices as the demand for industrial inputs like copper and zinc, as well as luxury goods like diamonds and gold, drops in the North. Fewer job opportunities are available in Africa's cities, in either the formal or informal sectors, as their economies slow down. Unemployment rises. Already inadequate tax revenues dwindle. Public institutions like hospitals and universities see their already paltry budgets, jointly covered by domestic and foreign sources, decline. In short, all of the recession-linked woes that we feel in the North are thrust on the most destitute, in places like sub-Saharan Africa, in exacerbated form.

A striking example of the way that Africa is absorbing this impact of recession showed up last winter to the student interns I take to Ghana every year. Even though it is both illegal under domestic Ghanaian law and a patent violation of basic human rights treaties, we learned that the following practice, aimed at the large portion of the population that does not carry health insurance, has become routine in public hospitals and clinics. Indeed, the practice seems to generate a dependable source of revenue to enable those institutions to make ends meet in hard times. In the following passage, the students document a meeting with the cousin of a hospital patient, Mohammed Zakari, who experienced this practice:

> *When it was finally her turn – her name was Salima – she related her information swiftly. She had a cousin at the Ridge Hospital [a major public hospital in Accra]. She didn't want a strategy so much as to raise money for him. (Our involuntary reaction was exasperation – of course everyone needed money, but we were here to give legal expertise, not charity!) Yet Auntie Rahina explained what the woman was asking for: the money was not meant for the cousin's treatment; it was meant for his release.*
> *It came to light that the hospital was detaining Salima's cousin, Mohammed Zakari, until he could raise the money for his treatment. As a form of ransom, he would not be allowed to leave the hospital until his bill was paid.*

Public empathy and policy reform

With all of the competing demands on national budgets, how confident can we be that greater empathy between the global North and African peoples could make any significant difference in policies towards Africa that impact on radical poverty? The response I would make is that it would greatly change the terms and tenor of the *fiscal, political, and moral debates* were all people, including the impoverished peoples of Africa, brought 'inside the frame' of the social contract. With the current realignment of domestic social policies in response to the current economic environment, policies such as agricultural subsidies, social welfare and foreign aid priorities, or tax policies, diplomatic positions, and overall budget allocations could be substantially improved to account for those worst affected by the excesses and economic mistakes of developed nations.

In much the same way, it seems beyond doubt that the shift from the rhetoric of largesse to entitlement in social welfare policy has made some difference to the way that we think about social policy. Such a shift in how we talk and think about African people might move us from hostility, indifference, and denial to a little honest debate, for a start. Such basic recognition might in turn promote sorely needed contestation about current social welfare priorities and the anachronistically nationalistic social contract that those commitments reflect.

Realignment of policy priorities

Make no mistake. Empathy by some toward those who endure radical poverty would make public

debate *more* fractious rather than less. Yet if this is the price of cross-border reciprocity, such contention is well worth its costs. The ensuing debate might bring into focus the hard political choices that strong obligations toward radically impoverished people would require.

For instance, how can foreign aid be most effectively delivered so as to redress systemic economic injustice without breaching African nations' political sovereignty? Are tight strings on grants, like those imposed on loans during the Structural Adjustment era, a good way to ensure African nations' compliance with basic human rights principles? How should philanthropic and government aid be integrated? Should philanthropies ever donate directly to African states? Should the US government ever fund civil society organizations, for instance, or its own priorities, rather than entire social sectors of African nations' social welfare systems, like healthcare or education, for example? Should empathy influence immigration policies toward radically impoverished groups? And what are the best *sources* for increased government funding to alleviate African poverty? Might it be seen as part of 'domestic' social welfare budgets rather than foreign aid or anti-terrorism expenditure? And how can we target substantial resources to impoverished African people without diverting attention from the lowest income people in this country? Nor should such a focus on radical poverty within *African* nations draw attention from those who are stateless or migrate endlessly across borders, or the radically impoverished peoples from nations and regions other than Africa, North and South.

These questions can easily become overwhelming. It may be constructive to separate questions of empathy from questions of policy, to focus on each in turn. Let us assume, for the moment, that greater empathy can have some positive effects on the quality of public debate and social policy with respect to Africa's radically impoverished. How might that habit of mind and feeling be fostered?

Promoting global empathy

Even in good times, the decks are stacked against cross-border empathy toward the radically impoverished. Geographic and psychic distance is one issue; race is said to be another, and it is difficult for all but the most idealistic people to find ways, or take the risk, of getting involved.

Yet we can cite a few hopeful examples: young people, for one. It is striking that young people are heading into programmes on human rights and African poverty in large numbers, often seeking hands-on opportunities to be of use as allies of impoverished African people, on the ground. Social networking via the internet enables these volunteers to find communities in which to work and to remain connected with those they work with after coming home. The impact of these initiatives has depended in large part on the motivating ideology of the programmes or projects in question. If the orientation is charitable, then the experience can elicit condescension rather than recognition and challenge. If it is technical, the experience can have a top-down, short-term 'parachuting in and out' effect. Only programmes that are carefully designed to place participants in joint undertakings with those they seek to help are likely to foster enduring empathy. Yet it may be that projects that easily adapt to such partnership are *not* the most effective ways to target the structural roots of African poverty or to promote structural change. There may be a need for greater efforts to balance programmes toward promoting mutuality, on the one hand, and targeting them toward the best strategies for eradicating poverty, on the other.

A second counter-example is the 'Fourth World' movement in Europe. In this movement, affluent adults take up the challenge of building close alliance with radically impoverished people like the homeless in their own 'First World' settings. They accomplish this through a well-designed sequence of experiences, culminating in collaborative social justice projects which they carry out hand-in-hand with their impoverished allies. Both individual and mutual reflection about the challenges of building cross-

class and cross-'border' relationships is a central feature of the approach.

Philanthropies and community organizations also offer well-off individuals opportunities to live and work with impoverished communities, although too often from a charitable or 'technician's' perspective. And, for those who do not want to write the state out of the process of fostering empathy, there are a myriad of government-sponsored service opportunities, such as, in the United States, the Peace Corps, Fulbright Fellowships, and municipal level sister city programmes. Each programme configures the roles of the affluent and impoverished partners differently. Regardless of how the roles are designed, however, critical reflection and dialogue are imperative in order to translate the experience of working together into a deeper shift in how each regards the other. Indeed, without such reflection, it is not unlikely that the experience of collaboration will produce contempt or pity, rather than the empathy and mutual recognition which are its goals. Northern governments and foundations can promote more such programmes, not just for their own sake, but as steps toward building a base of informed, engaged citizens. These people can then take a leading role in domestic political debate, particularly about policies, like domestic agricultural subsidies, that have disastrous effects on Africa's lowest income people.

One step toward inclusive institutional design and policy formulation might be to adapt the Porto Alegre model of participatory municipal budgeting to the context of Northern/African cooperation. The idea here would be to use a Porto Alegre model to promote town-hall style decision-making among citizens of Northern political units and similar African units about the amount and objectives of cross-border redistribution. Just as some Brazilian municipalities decide on budget allocations using the Porto Alegre model, an adapted model might bring representatives of impoverished African groups into such sessions to put the question of cross-border redistribution squarely on the table. Care would be required to counter inequities in the parties' power to take part in such deliberation. Though the intricate details of the Porto Alegre process are beyond the scope of this policy brief, the Porto Alegre template has proved successful in a surprisingly wide range of settings, and might be adaptable to this one as well.

Even as such initiatives sound promising however, they also present both moral and pragmatic challenges. How can globally advantaged people approach the lived reality of others on the edge in ways that enhance those others' lives rather than overwhelm their subjectivities? How can we practice empathy without projecting our own aversions and desires onto the other, as though she were nothing more than a mirror of ourselves? This risk is deeply embedded in the very concept of empathy. Indeed, in a global political economy where power is so out of balance, the risk is unavoidable.

Returning to the ground

So let us return to the North. A fist-tightening citizenry is busy fending off the imagined threat from the other within. 'Illegal' immigrants are being deported in increasingly large numbers. A proposal to offer health insurance to some and health reform for all has provoked an outburst of fear on the floor of the US Congress and throughout the nation. As the health bill gets ripped apart, the pundits say that all those riled up people are too frightened to care about their *own* rising insurance premiums, much less the fate of the uninsured. In such a climate, it is beyond belief that the many who imagine *themselves* to be barely secure would be willing to talk about sharing their dwindling wealth with anyone, much less those tongue-speaking others who are desperately poor. In this climate, we might reasonably ask how any such *empathy* with the radically impoverished could be achieved and how it would manifest itself.

Whilst our instinct may be to retreat into self-interest, in this policy brief, I hope to have shown that it is only by a concerted and visible commitment to the equal worth of every global citizen that we can bring about the necessary reforms to the discredited policies which brought about the economic hardship we all now face.

The Foundation

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The Social Contract Revisited

The aim of the Foundation's programme, *The Social Contract Revisited*, is to establish the theoretical and institutional underpinnings that characterize the reciprocal rights and obligations amongst citizens and between the citizens and the state in modern liberal society. Through publication of the findings of such study, the Foundation will enrich both the theoretical and the policy debate concerning some of the most fundamental issues facing modern Western societies.

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