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ISBN 978 0 7546 2358 8

Globalisation and Business Ethics

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Published by

Ashgate Publishing Limited
Gower House
Croft Road
Aldershot
Hampshire GU11 3HR
England

Ashgate Publishing Company
Suite 420
101 Cherry Street
Burlington, VT 05401-4405
USA

Ashgate website: <http://www.ashgate.com>

British Library Cataloguing in Publication Data

Globalisation and business ethics. - (Law, ethics and economics)

1. Globalisation - moral and ethical aspects 2. Business ethics

I. Homann, Karl II. Koslowski, Peter 1952 III. Luetge, Christoph, 1969-
174.4

CC 7262 4765 G



2007/027233

Library of Congress Cataloging-in-Publication Data

Globalisation and business ethics / edited by Karl Homann, Peter Koslowski, and Christoph Luetge.

p. cm. -- (Law, ethics and economics)

Includes bibliographical references and index.

ISBN-13: 978-0-7546-4817-8 1. Business ethics. 2. International

economic relations--Moral and ethical aspects. 3. Globalization--Moral and ethical aspects. 4. Social justice. 5. Culture and globalization. I. Homann, Karl. II. Koslowski, Peter, 1952- III. Luetge, Christoph, 1969- IV. Title: Globalization and business ethics.

HF5387.G583 2007

174.4--dc22

2006034247

ISBN-13 978 0 7546 4817 8

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PART III
GLOBAL JUSTICE

Chapter 8

A Theory of Global Justice Focussing on Absolute Poverty

Elke Mack

Absolute Poverty is undoubtedly a key question for global justice, because no other moral deficit withholds fundamental human rights from so many people, a number of approximately 1.1 billion absolute poor in 2005 (Chen and Ravallion, 2004). Each year we count 18 million deaths because of poverty related reasons, among them 11 million children (WHO, 2005). There is no singular key to a just reduction of worldwide poverty, but for the first time in history, there is a chance to eradicate absolute poverty worldwide (Sachs, 2005, pp.353–374) within a medium-term period.

Since John Rawls published his last great systematic book on 'The Law of Peoples' in 1999, there is a new debate on how to establish global justice, not only among Anglo-Saxon philosophers, but also among development economists, ethicists and Christian theologians in Europe. I will try to handle the problem from the view of an interdisciplinary approach of ethics, which has a Christian hermeneutic comprehension of human beings.

A multidimensional set of means for a specific worldwide poverty reduction are necessary, among which three means seem to be the key issues: Markets, aid (out of solidarity) and institutions are the main instruments that are discussed within a global business ethics and development economics. So far no way alone has been sufficient, because there is no single key to the poverty problem.

Answering the questions in what intensity, in what relation and under which condition the means for justice can be set, is the main purpose of this chapter. It is also an ethical challenge for a Christian social ethics which has the scientific aim to argue for just institutions out of a tradition of humanity. This theological background will build the hermeneutic reference to a universal normative argumentation of secular ethics and socioeconomic evidence, which is also important for ethical argumentation in the first place, in order to receive universal acceptance of norms and institutions.

Thesis 1: Markets should have a Heuristic Preference according to the Principle of Subsidiarity

Global research on poverty discovered a connection between economic poverty and a non-participation in global markets (as in North Korea, e.g.). Apart from civil wars,

juridical anarchy and political corruption, the main problem of the least developed countries of the world is their economic inactivity and their ineffective agriculture. *Vice versa* we can also draw the conclusion – relying on empirical evidence from the last decade – that the greatest progress in overcoming economic poverty has been made by interaction of the poor in global markets because of their production of manufactured goods.

If we ask the question whether this empirical evidence can also be proved by ethical reflection, we should consider the following: If markets are a way of self-sufficiency and if they are combined with the chance of growth-promotion or of individual prosperity, they are also an expression of free interaction and a chance to promote one's own living condition. Participating in them successfully offers self-determination and autonomy.¹ As far as markets help to contribute to freedom, income and independence of human beings, they are object to the ethical principle of subsidiarity. According to this principle, there has to be a first rank for the smaller unit in front of the bigger unit: Whenever the smaller unit can manage something out of its own, it may not be withdrawn from it.² This is valid for states, communities, groups and even single persons. Complementary is the duty of solidarity for the bigger unit, then and in so far as the smaller unit cannot care for itself. This prevents Christian ethics from claiming a responsibility too extensive or encroaching. With the help of the principle of subsidiarity, we can claim a step-by-step responsibility. The extension of this responsibility is fixed by the possibility and might that a single person, entity or state has. This principle highlights the social responsibility and gives criteria of demarcation and non-interference. It is a fundamental democratic and federal principle that has been taken up by the European Union in order to argue for federalism, and it also can serve business ethics in arguing for the self-organisation of free people in society, markets, religion and science.

Under the condition that the causal connection between the reduction of poverty and the engagement in market activity is correct, economic efficiency in markets should have a heuristic preference (not an absolute). Interferences in markets should only be undertaken if autonomous measures of helping themselves do not succeed, or if market failure or market control takes place. This means to respect the autonomy of the subsystem of economy. Benedikt XVI. argues in a similar way: 'A moral philosophy or theology that wants to leap over the expertise of economic science is not moral science, but moralism, which is the contrary'. (Ratzinger, 1986, p.58.)

Referring to global poverty, this would mean that a Christian social ethics would argue for a heuristic preference for self-organisation of states, communities, groups and also single persons. The right to autonomy and self-organisation refers to cultural,

1 We can vividly see this in Bangladesh, where poor women have the chance to participate in markets with the help of the Grameen-Bank, so that they can invest in their own business.

2 This principle has its origin in the papal Encyclica *Quadragesimo Anno* 1931 (Nr. 79). 'Subsidiarity (...) entails a corresponding series of negative implications that require the State to refrain from anything that would de facto restrict the existential space of the smaller essential cells of society. Their initiative, freedom and responsibility must not be supplanted.' Pontifical Council for Justice and Peace (2004), *Compendium of the Social Doctrine of the Church* (Città del Vaticano) Nr. 186, 105.

social, political as well as economic action and can therefore not exclude markets as the main instrument of economic interaction. In this respect, the instrument of the market has to be approved, because it can be understood as interaction of households and their members as well as interactions of firms.

Nevertheless, there is one big restriction that has to be taken into account. Markets are only an expression of successful self-determination if they are built into fair frameworks, so the competition in markets is complete. Then, markets build up justice of performance and exchange, so that performance can lead to freedom from poverty and to an increase of welfare for every person participating in them. Under these circumstances, markets are strong powers for development. In times of ongoing globalisation, there is in total six times as much foreign direct investment as governmental development aid. Due to the global perspective, there are great incentives for work-intensive production of goods in developing countries, in view of great cost advantages compared to the high-cost situation in industrial countries. The growth rates of developing and especially transforming countries can be two-digit as we saw lately, which could not be reached in industrial countries.

We can see the superiority of markets proved in human history. Europe was severely poor at the turn of the 18th to the nineteenth century shortly before the industrialisation took place. With the engineering progress of the industrialisation, specialisation and division of labour took place that could not be surpassed by any power other than free markets with their efficient processes of optimal allocation. When the power of markets was no sooner socially fertile, social security systems, social law and progressive tax systems were established to allow transfers to the poor.

Regional markets of poor developing countries are in a situation comparable to Europe in the middle of the industrialisation. They are even in a better starting position, because there would be sufficient technological know-how and global capital to let them live up to prosperity. Countries on the threshold like Taiwan, South Korea or China have shown how successful the transfer from a development country to an infant industrial country can be. Through a worldwide division of labour, the use of advantages of specialisation, the diffusion of new technologies, foreign direct investment in developing countries and the chances of export of manufactured products as well as intensive competition have great effects of prosperity that could never be financed by government development aid. I disagree with ethical objections that argue for the possibility of giving up the special culture and way of life of the poor: Hunger has to be appeased first to save lives. Philosophically, I would argue for this with the help of a hierarchy of fundamental goods in favour of the individual in question. Besides, economic interactions can be undertaken in a culture-specific way and with respect to the regional particularities without a colonisation of living conditions. National governments in developing countries have the power of decision through national law and jurisdiction.

The thesis: 'We cannot achieve poverty reduction against the process of globalisation, but only with it', has been proved several times by scientific research. This makes it necessary to simultaneously consider the implementation of norms, when justifying norms and reasoning in their favour. In order to do this, duties and rights should be institutionalised in accordance with economic incentives on a global

level. This is one aspect of a global theory of justice: to formulate associations of norms in a way that they can be pursued in accordance with economic interests. The economic strategy to promote pro-poor growth, which the World Bank has taken up in its general policy and which is in accordance with global economic processes, seems to be the right approach for development economics.

According to the principle of subsidiarity, a global theory of justice can be founded that puts a limit to social justice, but makes justice a condition of exchange and performance. This limit has also been set because the ideal of equality cannot be egalitarian, but utmost egalitarian combined with an understanding of individual freedom that allows cultural, social and also economic differences. This means that in the light of a Christian Ethics as well as in the name of a Rawlsian theory of justice, we are not allowed to reach for a worldwide equalisation of living conditions, especially not up to the highest level of consumption. Nevertheless, this limitation of ethical duties has to be correlated with a strict justification of economic and social differences, which I will argue for later.

In general, markets should only have a heuristic, not an absolute priority as an instrument of poverty reduction. They are not the exclusive instrument of poverty reduction, because although we can observe the phenomenon of global competition, we can also observe market failure and power in markets, which are not the result of competition. The exclusion of poor countries, almost two-thirds of the developing countries, is a problem that cannot be solved alone within markets. Also, markets can honour performance and efficiency, but nothing more. Justice traditionally has always been more complex than justice of performance. Therefore, we have to consider other means of poverty reduction and dimensions of justice.

Thesis 2: Aid Requires a Socio-Scientific Orientation in Favour of the Poor

There is a debate whether 'Trade instead of Aid', 'Aid instead of Trade' or 'Trade and Aid' are appropriate means of global justice. Scientifically, only the last can be valid. In Kantian ethics of human rights and in theories of justice, duties of emergency as well as a global principle of aid are discussed, which are required by the peoples and by a global society.

In the tradition of Catholic social ethics, in which a liberal market model has never been promoted and in which complete material equality or equal justice of ends was also never pleaded for in the official statements, the duty of solidarity found its place in order to guarantee social rights or rights of freedom (Pesch 1924, pp.408–455). Pure *caritas* is seen as a first step towards institutionalised social structures and rights within social systems (Ketteler, 1911), where *caritas* is not seen as superfluous or insufficient in certain situations. Since then, solidarity has become a core concept of Christian social ethics. It has been developed from the concept of French solidarism, which used to be an ontological term, into a rational principle of solidarity, which is still in use, and finally into an ethical statement of argument, in which solidarity functions as 'regulative leading idea'.

Since the end of the twentieth century, the concept of solidarity has been discussed again (Bayertz, 1998). Solidarity is placed between owed duties of right

and meritorious duties of virtues. Solidarity reaches out beyond the morals of justice into the realm of love and caring (Höffe, 1999, p.414). Next to theories of the good life, which are influenced by certain life styles, and next to formal theories of justice, solidarity is a third source of social integration (Habermas, 1997, p.278). Habermas talks about the social integrative power of solidarity and argues for the concept of solidarity to be taken up in a broader public and in the constitutional procedure of democratic decisions. Today, in addition to the matter-of-fact ethics of justice, there comes along a philosophy of mutual caring (Honneth, 2000, p.170).

This fairly new discussion corresponds to a social realistic tradition of Christian social ethics. As a linking principle, the principle of solidarity claims to be more than a philosophical principle of justice, because, as a social principle, it refers to the social in its original meaning, namely the social interactions that are stabilised by structures, orders and systems. Thus, solidarity does not only refer to the rules of action, but also to the human beings, the subjects of rules. Solidarity is a rule, relevant for action, which rises the claim for interpersonal responsibility especially for those who have the opportunity to help others, who are poor, weak and in need. Christian social ethics still makes the principle of solidarity a central moment of its argumentation (Anzenbacher, 1998, p.198). This is in accordance with Karl Homann's thesis that solidarity – even in modern societies – has to remain a core aim of all interactions (Homann, 1998, p.30).

This becomes relevant in our context, because global markets did not really succeed yet in diminishing absolute poverty at its roots. One can conclude that besides markets, which are not free from solidarity, but in which solidarity emerges from competition through growth and the rise of prosperity, we do need another, additional form of solidarity, namely intentional solidarity. In markets, solidarity comes up as a non-intentional result of intentional actions under suitable ramifications (Habisch and Homann, 1994, pp.113–137). Intentional solidarity goes beyond economic investments, undertaken because of market incentives. This form of solidarity still has to take into account the socio-scientific conditions of implementations, if it is to make a contribution to just regulations and if it is not to show counterproductive effects. Therefore, we have to distinguish between two forms of solidarity: the owed solidarity and the optional solidarity.

The Level of Owed Solidarity as an Element of the Ethics of Rights

Within most philosophical and theological traditions, especially since Immanuel Kant founded an ethics of rights, aid to survive is not an act of optional responsibility, but a duty of securing negative rights of freedom, which are owed to every human being. Kant tried to solve the problem by distinguishing between the laws of nations and the laws of world's citizens. He talked about the necessity to complement the right of humans by a public right that could be secured by the right of a world citizenship (Kant 1992, orig. 1795, 357 und 1991, orig. 1797, § 62).

Similarly, the principle of solidarity in a Christian tradition is no act of charity, but a principle of the ethics of rights ('*Rechtsprinzip*'), which makes social cooperation a duty. Its specific aim is to establish the human rights status of the person for all others. Therefore, global aid for the fight against poverty is theologically required

and ethically binding. Yet the duty of solidarity can only refer to the extent of its being necessary for a fundamental supply of goods and rights in order to preserve the dignity of human beings. Thus, an imperative of right can be derived, namely justice of distribution in terms of *a basic maintenance of the poor*. A justice of distribution in this sense does not aim at adjusting the conditions of living for all, but is a target of supply with fundamental necessities in terms of fundamental goods. Therefore, this level can only be reached on a global level through institutions and by law, which has not happened yet.

Still, the need of investment to eradicate poverty is not yet fulfilled by a supply of fundamental goods, because the poor need to claim the first step of development (Sachs, 2005, p.75). It has already been stated that global deregulation of markets and profit-orientated investment did not suffice, in many developing countries, to close the gap of poverty and to break the circle of poverty. The capital which is necessary to lead the poor out of their quandary is more than fundamental aid for surviving. Not only are *ad hoc* stabilisations of crisis necessary, but also a development-orientated financing in order to supply an initial provision for the poor in developing countries, so that they are able to claim the lowest level of development and can therefore participate in local, national and global processes of economic exchange.

As a fundamental condition of possibility for an independent life of the poor, this form of solidarity is necessary in terms of development economics as well as social ethics. Therefore, a second imperative can be derived, the justice of participation. This will be primarily focused on financing the initial provision of the poor in developing countries in order to let them participate in global interactions. Ethically, this argument can be derived from a qualitative concept of fundamental goods. This concept cannot be determined by economic needs alone, but has to include human rights as rights of freedom, fundamental needs in the sense of a transcendental exchange between human beings (Höffe), fundamental functioning and capabilities (Sen) and psychological conditions of self-respect (Rawls).

Therefore, a global duty of solidarity may not only refer to an economic maintenance of the poor, but also to their capacities in regional social and cultural as well as economic interactions – especially in regional markets. Therefore, the ability of self-organisation has to be more than subsistence, if we think in the category of a global justice of participation. Suitable means to reach participation are not only financial transfers, but primarily aid to invest in local infrastructure and social systems (education and health systems), economic and juridical assistance for democratic institutions, humanitarian action for peace and also providing credit for local units and persons, especially women and families (Mack, 2005, pp.79–100). Finally, many partial markets have to come into being by aid out of solidarity, because this would mean too much an effort to invest for private capital or would just be to uninteresting for it. Simple optimising of rural production, for instance, could save the poor of a region, but it probably would not bring enough return on investment to a private investor.

In this context, there is a debate between Pogge and Rawls whether a liberal principle of aid or a multifunctional egalitarian principle should be argued for in terms of a global security for fundamental goods. I would argue for a third variant in between, because as a Christian ethicist, I have to judge the justice of a global

order depending on its consequences for all human persons, especially the poorest among them. A subsidiary principle of solidarity has to offer justice of distribution in terms of fundamental goods for everyone, and justice of participation in terms of an autonomous self-determination and interaction of the poor, but no egalitarian justice of ends. We can argue for the condition of the possibility to lead an autonomous life in dignity for every human being by the help of a world society, and this can be achieved by acting out the two concepts of justice, I have presented.

The Level of Voluntary Charity as an Element of an Ethics of Care

We should distinguish this level of solidarity for two reasons: First, an overwhelming responsibility and solidarity without borders may not be laid on everybody as a claim, but is an act of voluntary solidarity and social love. Other than the ethics of rights in a Kantian sense, we also need an ethics of virtues or an ethics of charity, argued for in theology. Second, it has been proved by development economics that an excess of charity will push away the poor in their own ability of autonomy and subsistence in regional markets. The problem is discussed by the keyword of 'deadly aid', in which awful disincentives come up together with well-meaning charity. This has often happened in the context of aid given in natural products, and it happens regularly when industrial countries deliver their superfluous rural products, which are heavily subsidised, onto the world markets. Homely goods in development countries cannot be deposited to real prices on local markets, which finally can lead to a descent of agriculture in these countries.

One can avoid these counterproductive consequences of charity if solidarity is taken up with the motto 'help you to help yourself', which also has to conform with the rules of the market. In this case, the principle of subsidiarity again is helpful, which requires the engagement of the bigger unit only if the smaller unit is not able to help itself. Aid out of solidarity can unfold a positive effect, if the needy will hereafter be able to help him- or herself with fundamental goods. Charity should therefore be understood as 'aid to action' (also on markets). The Second Vatican Council gives us a good hint to this: 'You have to eradicate the causes at its roots, not only at its consequences. The aid should be organised in a way that the recipient should be able to gradually escape an outer dependence, in order to help oneself'. (Rahner und Vorgrimler (1984), *Apostolicam Actuositatem* No. 8.)

I argue to respect the distinction between social justice and social love, which has been made in Catholic social teaching since 1931 (Quadragesimo anno, Nr. 88), especially in the context of global business ethics. Social love is the theological ground of motivation, but cannot be an indifferenced criterion for aid. Therefore, *A Theory of Justice*, combined with knowledge of social sciences and economics, delivers a better ethical argumentation ('criteriology'). Also, material criteria like 'bona humana' (Messner), existential purposes (Kant) or constitutive conditions of human life (Nussbaum) and material concepts of development (Sen) can give orientation for solidarity, but they all do not yet deliver a strategy of operation in poverty reduction. Charity in the form of voluntary aid can be a sensible means of intermediate solidarity fitting in between market failures and global structural

poverty policy, especially when it overrides the solidarity owed to the poor because of claims of justice.

Both forms of solidarity, the obligatory and the voluntary, have a positive function in terms of poverty reduction if they meet the motto 'help to help yourself', and if they do not hinder autonomy. Therefore, both should engage in developing powers of self-action. In the public debate, solidarity can be understood as 'aid to survive' as well as 'help to trade'. I would add that solidarity is best understood as 'help to action'. In order to stabilise this action of the poor, solidarity must not stay in a realm of arbitrariness, but needs global institutions and organisations, which can provide a political frame for global solidarity.

Thesis 3: Institutions Build the Ramifications to Liberation from Poverty

From the angle of socio-empirical research, the political prerequisites for wealth and the end of poverty are, besides functioning markets, freedom and the rule of law (Nuscheler, 2005, p.428). Researchers do not agree on democracy being necessary in order to reduce poverty, because there is a tremendous success in eastern Asia (a poverty reduction from 60% to 15%). So one better talks about good governance, which is on the way to the rule of law. Legal systems, which guarantee property rights (at least for a certain medium-term period) and at least a solid basis of social rights, are necessary conditions to reduce poverty. If poverty reduction is not to rely on chance, independent legal and social security systems have to be established within a social system. Development economists even prefer national institutions to global institutions, without challenging the necessity of a global order in favour of fair trade, political stability and security for freedom.

From the perspective of Christian social ethics, the Christian command of love has to be converted into a universal claim of justice, which has to be secured by institutions and organisations. Unlike the global theory of John Rawls, I would conclude from the point of view of a Christian ethics in accordance with egalitarian authors that global institutions cannot only have an assisting function. I disagree with the thesis that a global balance does not include any compensation or any justice of distribution. I want to argue for the counter-thesis that global institutions are necessary for the organisation of global solidarity and for ramifications of global markets. Modern societies are anonymous and cannot be governed by individual actions. Stable structural and organisational connections of global solidarity can only be built up by global institutions and organisations.

Voluntary help as well as governmental development assistance have to be complemented by a global system, which is enduring and stable. A quest like this can be argued for theologically, by means of a principle of subsidiary solidarity. This principle requires justice of distribution as well as participation, and equally considers the autonomy of the persons concerned. Even markets need institutional ramifications, which have to be equal for everyone and should not contain special rules in favour of one side (no barriers of trade). Only structural measures can offer reliable, enduring and affective means to reduce poverty, build the foundation of a global binding law of peoples, enforce sanctions on those who violate the rules and

build a fundamental infrastructure for global interactions, within which development for all can take place.

A Christian approach will therefore neither share a realism of political science nor a pure strategic theory of economics, but argue that institutions of a global order always have to be determined by ethical criteria of justice. We can follow a thesis of Peter Koller, who says: 'The global order has to be construed in a way that the advantages of international exchange and cooperation have to be for all, especially for the economically less developed and poor nations' (Koller, 2005, p.113). In addition to that, I would like to mention that the advantages do not only have to be for nations, but for parts of societies and groups of people who live in absolute poverty within states. Here a co-responsibility of governments is needed that has to care for a structural balance of income and wealth.

In an ethical sense, we can establish two levels of poverty reduction, an economic and a political-social one, which should just be named shortly:

- a) The following suggestions for the reorganisation and correction of world-wide economic institutions are made, which are all reasonable, but could not yet be implemented: in the economic field, the opening of markets is one of the most important ethical demands, because tariffs on trade, protectionism of all sorts and subsidies can only be justified in infant industries of developing countries for a limited time, but not in industrial countries. Besides, several suggestions have been made for an international economic policy (Klasen, 2005), a global pact for structural investments in developing countries (Sachs, 2005), a global dividend of resources (Pogge 2002), a global structural policy (Müller and Wallacher, 2005) or a global 'Ordnungspolitik' through global governance (Messner and Nuscheler, 1996).
- b) Claims on a political level for global and good governance refer to a global legal order, a world domestic policy, a global social organisation (parallel to IWF, World Bank and WTO), a reform of the United Nations and its institutions (Höffe, Klasen, Nuscheler), a global federal world order with world courts, a world criminal law, a world social security for a basic standard of living (Höffe) with a limited restriction of national sovereignty (Pogge) and a federal world republic (Kant, Höffe). These are all suggestions which are discussed seriously. I want to refrain from an evaluation at this stage, but only want to bring two dimensions of justice into discussion, which should be fulfilled by all institutions.

First, global institutions have to fulfil the requirements of *justice of distribution and participation*. Generally, on the basis of our previous argumentation, international government organisations should be globally equal, compatible with economic processes, not interventional, but focusing on poverty by presenting ramifications of a political, legal and economic order of the world. Structural promotion of interdependences and prevention of exclusion through external and internal institutions seem to be the most important aims. In the debate on global differences of income, a global justice of participation leads to certain conditions of justice, which claim participation in property rights and productive income in societies. I

therefore suggest a reformulation of a global difference principle, and I combine this with the condition of certain institutional possibilities of implementation which go beyond national borders and regional federations. I proclaim a moderate difference principle on a global level:

Social, political and economic differences have to be to the advantage of the poorest and have to be justified with regard to them, so that their chances will be increased, so that they receive access to fundamental goods as well as to real chances, and so that they can develop capabilities to participate in global processes of prosperity.

Second, all institutional initiatives are subject to the claim of political justice. Here we should take up ideas from the theory of justice and democracy. This means that within international organisations and within elements of a world order, at least hypothetical means of agreement of the persons concerned and a practical and representative participation of voting for all peoples proportionally to their populations should be guaranteed. Rawls demands a proportional right of participation between equal peoples, which he plans to reconstruct through a second original position: in an international process of decision on global norms, it would be necessary that all human beings are equally represented and that peoples are taken into account proportionally (Rawls, 2002, p.46). I would agree with this view, because the adequate participation of the poor is the condition of the possibility for their development even in the context of a global structure. This means to establish a dimension of consent building as a primary expression of political justice, which is also the condition of the possibility for further forms of justice like justice of participation of the poor in economic or social processes. In this way, global norms and structures deserve legitimacy from the poor and by the poor. By establishing a qualified principle of consent for fundamental questions of justice on a global scale (combined with qualified rules of majority for single political questions), global institutions and organisations would receive validity from the persons concerned and would therefore really be universally accepted as just rules. They could in this way deliver a global frame for a self-development out of poverty and act out a theological option for the poor through a pragmatic implementation of justice.

After having discussed the three main means of poverty reduction, I would like to add some hermeneutic reflections which constitute the foundation of a Christian ethics in view of the poor.

A Universal, Subsidiary Cosmopolitanism

In a Christian understanding of theological hermeneutics, global justice is founded on the universality of Christian love. The love to one's neighbours is extended to the community of a society and further extended to every human being. This means that humankind is not understood as a species, as a community of fate or as a contract of world citizens, but as a unity and as a family of humankind, for every human being is equally worthy and dignified. The universalism of modern normative ethics can be correlated with a Christian hermeneutics of Christian love for everyone, although the dignity of the human being was not combined with rights before the enlightenment.

In contrast to classical-liberal, neo-Aristotelian and communitarian approaches, a Christian ethics will hold the position that a global responsibility towards every suffering human being can ethically be claimed, because 'we are responsible for all people' (John Paul II. (1984), No. 38). A double standard between members of the own nation or family and between all others cannot be justified. Global justice can only be argued for if it does not make a difference, and if it is universally equal in its fundamental claims. This universality does not contradict a responsibility in regional and national autonomy. Global justice is meant for everyone, but in his or her individuality, culture, philosophy, faith and way of life. Global justice will therefore not be egalitarian, but an egalitarian subsidiary cosmopolitanism.

Conclusion

All three means of poverty reduction have to be used in a certain intensity and relation:

- a) In the case of self-organisation, free markets and economically motivated investments are enough to deliver fundamental goods for former poor and will manage their participation in economic processes of prosperity. The claim to equality will back up in favour of freedom and self-determination of societies, peoples and individuals.
- b) In all cases in which there is exclusion and poverty nevertheless, global justice reaches out not only for a guarantee of fundamental goods, but for an initial financing of self-organisation of the poor, which allows them to participate in economic, political, cultural and social processes of communication and exchange.
- c) Global poverty reduction will need transnational structures of political justice, which can secure global justice in the form of legal institutions – as a world's legal, social and economic order – and in the form of legal organisations in solidarity with the poor.

A subsidiary and universal cosmopolitanism constitutes the hermeneutic background for a theory of global justice. Poverty therefore is a moral problem, in which humankind questions its own self-understanding as long as it exists.

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