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Towards global progressiveness

In the 1970s, Global South countries wanted a 'new international economic order'. Now, we need a new agenda for progressives in the 21st century

Is it possible to define a series of approaches to global problems for the group of people who may be called 'global progressives' (GPs)? Before I try to answer this question, I need to define the terms.

'Progressive' is meant to include all those who identify with broad left-wing movements, from Marxists to social democrats even up to the fringes of liberals (in the American sense of the term). 'Global' is supposed to cover issues that can, at least in principle, be acted upon or actively pursued at the global, as opposed to national, level.

'Approach' is supposed to mean activities that are between policies (since global policies are extremely rare and most policy is made at the national or local level) and the rather vague 'values' or 'opinions'. 'Approach' therefore has an activist component attached, which moves individuals and groups beyond mere expressions of what they believe or hold dear. But it is less than policy, simply because the world has currently very few such tools at the global level.

What are the areas where such global approaches can be defined? The seven listed below start from the final objective, which is higher income (and the attendant greater 'happiness'), to the means to realise it, which concern capital, labour, technology and taxes.

Economic growth: it is true by definition that economic growth is an indispensable condition for the reduction of global poverty. Reduction and ultimately elimination of global poverty (at whatever modest poverty line one can envisage today) is probably the most important task to realise in the 21st century. Nobody in the world should live in misery. For this to become reality, GPs must be in favour of economic growth, and especially so in poor and middle-income countries.

Higher economic growth in poor and middle-income countries would

also reduce global inequality, which may be considered as the global goal no. 2 for this century. Reduction of material inequality between individuals in the world is a requirement for the existence of a global community of interests and values, however weak, because such a community cannot be based on vastly different levels of material welfare.

Climate change: the focus on global poverty elimination and global inequality reduction must be considered within the framework where climate change is an important challenge to many people (not necessarily all, because some are likely to benefit from it). While some trade-off between global growth and growth-reducing policies needed to combat climate change may be allowed, that trade-off must acknowledge that economic growth is the most important global objective.

Global growth and control of climate change however are not lexicographically ordered (with growth coming first) because that would exclude any trade-off between the two. But the trade-off must be such as to prioritise growth-compatible methods of control of climate change: 'green growth' brought about by suitable (and subsidised) technology and changes in consumption patterns through subsidies and taxes.

Most of the tools to control climate change are national and GPs cannot affect them much at the global level. Since the issue of climate change has however acquired worldwide importance and is subject to international co-operation among nation-states, a unified approach by GPs may make a difference.

It is obvious from the above that GPs should not be in favour of 'degrowth', because it would negatively affect elimination of global poverty and reduction of global inequality.

International aid: GPs should be in favour of rich countries finally realising their pledge (made more than half a century ago) of transferring 0.7 per cent of their gross domestic product in aid to poor countries. This objective, however modest, has recently receded in importance and public interest because of sluggish growth in rich countries and the rise of Asian middle-income countries. But the objective is still crucial, given the vast inequalities between countries and peoples.

Global aid should not be confused with purely commercial transactions (such as foreign direct investments) or loans by national or international development agencies which are only in part aid (to the extent that the interest rate charged on loans is below the market rate).

Migration: GPs must be in favour of free movement of people. This

derives from the first principles of equal opportunity which, for those who think globally, must be equal opportunity at any point in the world — not solely within one's own country. It derives also from support for globalisation, which includes free movement of capital, goods, services and technology. There is no reason why labour should be treated differently.

But that principle must, within each country, be moderated (and in some cases modified) to be compatible with what is politically feasible. While various compromises and temporary solutions are possible, one should not forget that it must be done with the principle of free movement of people always in the background, not forgotten.

Technology: GPs must be in favour of facilitating transfer of technology from rich to poor countries. It is one of the principal ways in which growth of poor countries can be accelerated. Recent exaggerated concerns about the protection of intellectual property rights are not only antithetical to the achievement of global poverty eradication but are at variance with rich countries' own stated objectives, repeated over many years, of being in favour of easing transfer of technology to poorer countries.

This exaggerated concern also derives from the *de facto* control of most international bodies (in this case the World Trade Organization) by rich countries. That issue must also be addressed (see below).

Taxation: international taxation — such as on financial transactions or, more ambitiously, a global tax on the most polluting activities — should lead to the creation of a global tax authority. It is unrealistic that such an authority would, within the foreseeable future, come close to the power of national tax authorities, but any move in that direction would be welcome. The global tax authority, with its own funds derived from global taxes, could be used for green-energy subsidies across countries, help for migrants and refugees or financial support under extraordinary conditions, such as pandemics and natural catastrophes.

Equality between countries: this is an important principle which, as in federal constitutions, must be balanced with the approach to global poverty elimination, which treats all persons in the world (not countries) as equal. Treatment of all countries equally implies non-interference in their internal affairs, so long as these do not have implications beyond their borders, and preference for organisations such as the United Nations that are, at least in principle, built on the assumption of equality of nations.

This means that international institutions such as the World Bank and the International Monetary Fund, built on the principle of richer countries having greater rights, should be forced to move toward greater country equality. (The same applies to the World Trade Organization, which is in deed, even if not legally, biased in favour of rich countries.)

What cannot be dealt with globally? The issues which can be addressed only at the national level are those that belong to inequalities of opportunity (different from inequality of opportunity due to citizenship) — such as inequalities of parental background, gender, race and so on — and inequalities of outcome. Global equality of opportunity can be helped by pro-growth, pro-migration, pro-technology transfer and pro-aid policies, as outlined here, but lots of inequality of opportunity is nationally-based and can only be dealt with at that level. This includes inequalities linked to one's background (wealth of parents), gender, race or sexual orientation.

Inequalities of outcome in income and wealth can also be remedied mostly nationally, through higher taxation of inheritance, more accessible education, higher income taxes for the rich and deconcentration of financial wealth (through worker shareholding). These objectives, however laudable, cannot be currently addressed at the global level.

While the just-discussed group of objectives cannot be dealt with globally because the means to do so are national, another group cannot be included because global consensus on them — even among progressives — is impossible to reach. They are philosophical and political issues, such as alienation of labour (wage labour as opposed to labour playing the entrepreneurial role), the hyper-commodification of daily life and the political systems of different countries. Thus they have to be left aside.

Historical context: global progressiveness tries to combine elements from the 'new international economic order' (NIEO) approach of the 1970s, which gave agency to countries (especially to those formerly colonised), and the neoliberal or basic-needs approach, which focused on individuals only. The objectives of global poverty elimination and freedom of migration are part of the latter worldview but the goals of international aid, transfer of technology and equality of nation-states were formulated already in the 1970s.

The defect of NIEO was that it gave too much power to nation-states, so they often ignored the needs of their citizens. The defect of neoliberalism was that it circumvented the nation-state altogether and gave the power to decide what mattered to international organisations that were themselves controlled by the Global North. The new global

progressiveness should avoid both these pitfalls.

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