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REVISITING THOMAS POGGE'S DIVIDEND AND TAXES TO HELP THE POOR

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Abstract: The objective of this study is to verify the validity of Thomas Pogge's *Global Resources Dividend* (henceforth, GRD) to alleviate poverty in the world. The main question addressed in this paper is whether Pogge's dividend and tax model has deficiencies, and if so, to identify these. Specifically, this paper discusses the validity of imposing a 1% tax on resources to help the poor, and the reasons for the selection of natural resources and not other sources of wealth. It also investigates whether Pogge's idea can only be applied to a specific social group or it may be implemented universally. Did Pogge go far enough or did he set limits on his dividend?

The central hypothesis in this paper is that Pogge's dividend and tax may prove to be unfair and based on ethnocentric and unreasonable arguments. The study relies mainly on Pogge's publications and, occasionally, includes economic data to examine Pogge's dividend and taxes.¹

The paper concludes that, even though Pogge recognises the role of colonialism in today's poverty, his methodology for solving the problem fails to be fair for the following reasons:

- i. Being selective in terms of the tax percentage, that is, on what is to be taxed (i.e., natural resources, but not technology companies

¹ Occasionally, economic data were extracted from papers and reports originally published in French, Spanish or Arabic. All translations are mine unless otherwise stated.

and financial institutions), and the terminology employed when calling for US and EU sanctions on those countries that do not agree to pay the dividend.

- ii. Non-equitable treatment of superpowers/ex-colonial countries and colonised countries when using terms such as “affluent” countries and corruption.
- iii. Imposing taxes on greenhouse emissions while ignoring the emissions produced by each country throughout history, putting pressure on developing countries to acquire technology to reduce emissions. Such technology, however, is more easily accessible for industrialised countries than for developing ones.

For these and other reasons, Pogge’s idea may be considered as a real threat to developing countries. Similarly, his proposal presents his dividend and tax model and the mechanism to implement it as a potential neo-colonial instrument in the hands of superpowers and ex-colonial countries.

Keywords: *Global Resources Dividend, poverty, justice, ethics, superpowers, neo-colonial*

1. INTRODUCTION

The main objective of this study is to verify the validity of Thomas Pogge’s proposal to alleviate poverty in the world. More precisely, this paper focuses on the tax on resources proposed by Pogge. Firstly, it aims to question the reasons to choose a 1% dividend and why the model is limited to resources, rather than including other types of wealth. Secondly, the paper also discusses whether Pogge’s methodology exclusively applies to the Western economy, or it is an inclusive methodology that can be implemented universally. This issue is approached by examining several aspects discussed in Pogge’s proposal. Specifically, this paper analyses: i) Pogge’s specific use of terminology; ii) whether Pogge went far enough or he set limits on his idea; iii) the existence of an unequal treatment of corruption in developing and developed countries; and, iv) the way in which Pogge addresses other factors that influence poverty in the world, such as secret bank accounts, the outflow of resources and pollution.

Pogge’s dividend has been extensively researched in the literature, where three main approaches may be distinguished:

1. Support for Pogge's dividend: articles with minor suggestions regarding Pogge's dividend. For example, in the article edited by Alison M. Jaggar, *Thomas Pogge and His Critics*, the first part is devoted to providing the reviews of seven authors of Pogge's proposal. In the second part, Pogge responds to their minor criticisms. However, the problem is that this type of articles often provides an extremely positive review of Pogge's dividend rather than a revision of its fundamental idea.
2. Moderate criticism: some articles provide a more critical review of Pogge's dividend. For example, Hayward (2005, p.312) highlights that extracted raw materials have little economic value compared to ready-for-sale manufactured goods. In the same article, Hayward ponders on the reason for imposing a levy on resources with a relatively minimal value. For Hayward, such levy makes countries dependent on raw material exports liable to taxes while, at the same time, rich and industrialised countries are much more lightly affected (Hayward 2005, p.312).
3. More fundamental criticism: articles that question Pogge's idea from different perspectives, such as post colonialism, or taking into account political and economic considerations. This paper falls within this category. For this analysis, this paper includes economic data as well as it addresses other factors that may play a role in corruption and the support of corrupt political states. Therefore, the contribution of this paper lies in its examination of Pogge's dividend from a political and economic perspective.

At the close of the last century, Pogge (1998, p.501) introduced the concept of GRD in one of his articles. He began his article by referring to Article 25 of *The Universal Declaration of Human Rights*, which states that everyone has the right to an adequate standard of living in terms of health, well-being, food, clothing and housing for themselves and their family (Pogge 1998, p.501). In the same article, Pogge provides an attempt to alleviate poverty in the world, by proposing the implementation of the GDR and by forcing nations to pay taxes on pollution emissions and secret bank accounts. On that regard, he states: "The basic idea is that, while each people owns and fully controls all resources within its national territory, it must pay a tax on any resources it chooses to extract" (Pogge 1994, p.200). Pogge also claims that this tax could include agriculture and ranching. He highlights that GRD would be a tax on con-

sumption (Pogge 1994, p.200), in which goods and services would be taxed proportionally depending on the number of resources involved in their development, meaning that both the suppliers and the consumers of such resources would have to pay.

The dividend proposed by Pogge is 1% and it is aimed at reducing severe poverty in the world (Pogge 2001, p.59). According to Pogge (2001, p.67), this dividend would increase aid from approximately \$50 billion to \$300 billion, which equates to \$250 per year for each person classified as being below the poverty line. The \$300 billion dividend represents 1% of the world's Global National Product (henceforth, GNP), which is \$30 trillion.

Pogge expects that citizens' actions will be guided by the impartiality of justice and the common good, leaving their projects and loyalties aside. Furthermore, Pogge thinks that these followers of cosmopolitan social justice apply this mentality also outside the national state, mainly when forming transnational institutions. To do this, they should set aside their connections and goals to take into account all individuals who could be affected by legislation (Pogge 2010a, p.155).

Pogge (2001, p.59) states: "One great challenge to any morally sensitive person today is the extent and severity of global poverty". This means that those with a morally correct opinion are concerned about poverty in the world. Pogge's overall picture of the tasks of philosophers (1994, p.224) requires them to attempt to build a new and better political framework, approaching it from a realistic perspective and leaving side for change in the *original position*². Thus, by presenting the GRD, Pogge advocates for giving hope to people, so that they can see an opportunity to escape poverty. Regarding the motivation underlying this change, Pogge's central claim states that the most advantaged people in affluent states have an ongoing duty to address poverty. This duty is a negative one, i.e., our duty is to not harm others, in reference to the dreadful crimes in which the "affluent" citizens of rich countries and the political and economic elites of the poorest states are implicated. Pogge continues by saying that current global poverty has been the result of the wrongs

² "Original position" refers to a hypothetical situation presented by John Rawls where parties select the principles that will determine the basic structure of the society in which they will live. The choice is made based on the so-called veil of ignorance; hence, people will not be aware of their ethnic group, social status or gender. As a consequence, people will be pushed into choosing principles impartially and rationally.

of the past. Specifically, he refers to the “colonial period” when “affluent countries” governed poor countries, traded with their people as if they were domestic animals, destroyed their states and heritage and stole their wealth (Pogge 2005, pp.30, 37, 38).

Before going into Pogge dividend and revisiting it, it is crucial to define the term “dividend”. In companies the “dividend” is the profit distributed to shareholders, provided that the majority of the members agree (*The Economist* 2020, para. 29). If the shareholders do not distribute any profit, the profit could be retained by the company (saving) or invested in the company (for instance, in research, or in the development of products and services). However, the application of the term ‘dividend’ to countries raises questions regarding: i) the ownership of the resources (i.e., whether they belong to the population of a particular country or of the world); ii) whether this ownership extends to the poorest social groups and, thus, they must be also recipients of this dividend; iii) the people in charge of making the decision of spending the resources; and, iv) the reasons for using the term ‘dividend’ as a solution for poverty. These questions will be addressed throughout this paper.

Since the term ‘dividend’ is part of the business terminology, some may argue that Pogge did not choose the term randomly as he sees the resources of the world as if they were the profit of a company called “Planet Earth”. Pogge considers that people in the world are “entitled” to get a dividend (distributed profit) of the world’s resources, regardless of their nationality. He claims that this is not due to charity, but an individual right (Pogge 1994, p. 200). By using the term ‘dividend’, Pogge questions the sovereignty of states over their resources, understanding sovereignty in the sense of preeminent and indisputable control. Pogge’s proposal has a direct and huge implication on international law and on the concept of sovereignty. In precise words, Pogge gives the world’s people an ownership of other sovereign states’ resources. As we will see later, Pogge buttresses the claimed ownership by US/EU sanctions (i.e., sanctions imposed on the sovereign countries that refuse to pay Pogge’s tax). Pogge’s proposition could be seen as a call to change the actual world’s order. Although its deficiencies do not go unnoticed by many, and even if they admit the need for changes, it is difficult to determine what should be changed in the world’s order. This paper does not address all the aspects of the world’s order that need to be changed, but focuses instead on the aspects relevant to the ideas proposed by Pogge. The remaining of the paper examines the extent to which Pogge’s model can be implemented

or whether, in contrast, some restrictions in its implementation exist. This paper also questions Pogge's methodology in the implementation of his proposal by looking at the committees he formulates to implement his proposition.

1.1. WHY 1% AND WHY NATURAL RESOURCES?

Pogge's proposal includes the taxation of natural resources while giant companies such as Apple are excluded from his model. Although it is not clear to me whether there is a valid justification for such model, it seems that, for Pogge, the easiest way to obtain money to help the poor is by taxing natural resources and, especially, oil. But, why? To the best of my knowledge, oil is considered as one of the least respected sectors of economy since it is the easiest way to become rich as it requires neither great physical nor intellectual efforts. Therefore, one might wonder why only a small group of the world population benefits from it. In contrast, the inventors of the products sold by Apple and Microsoft are expected to obtain higher benefits than oil producers since the former require years of training. This may be due to the high income produced by oil, especially in countries where the cost of extraction per barrel is minimum but the profit obtained is high. Consider the example of Kuwait: it costs less than \$10 to produce a barrel of oil (Petroff 2015, n.p.a) while its price, at of today (07-Feb-2020), is \$54.45 (Nasdaq 2020).

At the same time, according to the World Health Organisation (2014, n.p.a), oil is one of the most important causes of air pollution, and this would make oil one of the best candidates in the world's economy to be attacked and taxed. On the other hand, the manufacturing of arms may be argued to be more destructive than oil. Similarly, the nuclear sector may be considered riskier than oil. Thus, both arms and nuclear energy should be also subjected to Pogge's tax. Since Pogge's proposal does not find a reason that justifies this, this paper elaborates on this issue by analysing Pogge's tendency to give prominence to taxing natural resources rather than other sectors of global economy.

Pogge acknowledges that most of the present international injustice was a result of the colonial era, when what he names "affluent" countries governed developing countries (Pogge 2005, pp.37-38). A quick glance at the list of "affluent" countries reveals that they are mainly industrialised countries whose economy does not depend on raw materials as the pri-

mary source of their GNP, in contrast to developing countries, where raw materials are the core of their GNP. For example, according to the International Monetary Fund (2018, p.137), Saudi Arabia may be considered both as a developing and a rich country, as it has a relatively high GDP per capita, ranking 39th worldwide (UN 2017).³ A closer look at the economy of Saudi Arabia reveals that, in 2016, oil accounted for 84% of Saudi exports (Saudi Arabia Vision 2030, p.61). In addition, if oil revenue is compared to the total governmental revenue in 2017, we observe that the latter was more than 63%⁴ (Saudi Arabian Monetary Authority 2018, p.119). Therefore, oil forms the backbone of the Saudi economy. Similarly, data from other developing countries (i.e., those with a less developed industrial base compared to developed industrialised countries) show that in many cases their economies also rely mainly on natural resources.

Pogge's argument is that, even when people in "affluent" countries pay for the resources they consume (e.g., oil), they will contribute, not to alleviating global poverty, but to increasing the wealth of the Saudi Royal Family or the Nigerian ruling class (Pogge 2001, p. 63). In other words, since the great fortunes, such as the Saudi Royal Family, are the recipients of this money and not the poor, Pogge proposes taxing oil. However, such proposal raises some problems.

First, Pogge's proposal of imposing a 1% tax on oil would affect not only the Saudi Royal Family but also the whole population of Saudi Arabia. Even if the corruption rate was assumed to be 50%, Pogge would be taxing the oil that represents the income of Saudi people at a 0.5% rate (misused oil in the Gulf countries could reach 50% of total oil, according to the Gulf Centre for Development Policies (henceforth, GCDP) 2013, p.107). The GCDP states that in 2001-2002, 18%-56% of the oil (worth \$772.5 billion) in four of the five of the Arabian Gulf countries was misappropriated before it reached government coffers. The issue with that is: it might be agreed that the people of Saudi Arabia should give a percentage of their oil to the poor of the world if the former are morally sensitive. However, there is no way to know the people's opinion on this issue. Furthermore, as we will see later, there exists also a problem regarding the representation in the committees formed to implement Pogge's ideas.

³ The data are not automatically ranked in the UN website. However, it can be done by extracting the data for a certain year (2017) and the GDP per capita in US dollars for all countries and sorting them in a spreadsheet.

⁴ Calculation: oil revenue/total revenue = 480,000/692,000 = 0.6303 = 63%.

Another issue with the 1% proposed by Pogge is that it would raise aid against poverty from approximately \$50 billion to \$300 billion a year, which equates to \$250 a year for each person who is classified as being below the poverty line (Pogge 2001, p.67). Notwithstanding the foregoing, Pogge does not provide a clear justification for levying a tax of 1%. If we take the figure of \$250 a year for each person classified as poor in January 2001, In February 2020 this would equate to approximately \$383.11⁵ (U.S. Bureau of Labour Statistics 2018). Although Pogge states that taxing at a high percentage may reduce the economic activity (Pogge 1994, p.203), others argue that a tax of 2% or even 5% would not have a negative impact on economy. Therefore, this shows the importance of considering not only the consequences on the global economy, but also the needs of the poor in the choice of the tax percentage. In this regard, one may wonder whether an additional aid of less than a dollar a day for each person classified as poor is enough to allow them to live with dignity. Such measure is questioned by those who doubt the validity of Pogge's percentage to lift people out of poverty by giving them less than \$1 a day. Therefore, this leads to the conclusion that Pogge's percentage needs revision. A solution may be increasing this aid to allow poor people to rise from poverty. In addition, the percentage of the dividend should be adapted to the cost of living of every country, ensuring in this way that individuals could cover their basic needs. This is a practical measure because, for example, an aid of \$350 per year for a destitute person in a city with a high cost of living would be insufficient.

Pogge proposes a fixed tax of 1% to be implemented in all countries. The problem is that it does not consider the economic differences among countries. Therefore, it would be unjust to tax all countries at the same rate. For example, consider the 2016 GDP per capita in these countries:

1. \$80K: Norway (Ftserussell.com, 2018, p.3)⁶
2. \$20K: Saudi Arabia (Ftserussell.com, 2018, p.3)⁷
3. \$680: Democratic Republic of the Congo (Central Bank of the Congo, 2016, p.28)⁸

⁵ Inflation was calculated using the *CPI (Consumer Price Index) Inflation Calculator* of the U.S. Bureau of Labor Statistics (last accessed 26 March 2020).

⁶ Paper published in 2018, but the GDP figure is for 2016.

⁷ Paper published in 2018, but the GDP figure is for 2016.

⁸ Original text in French: Banque Centrale Du Congo, *Rapport Annuel 2016*.

Based on the differences in the GDP per capita in these three countries, it would be a *sensus communis* to tax Norway at a higher rate than Saudi Arabia, and even to exempt the Democratic Republic of the Congo until it overcomes poverty. Although this measure could be applied to public companies, taxes on private companies should be correlated to their incomes, regardless of the wealth of the country. Furthermore, the tax should not be narrowed down to resources alone, but include also the rest of economic sectors, especially if they generate high revenues, such as industries and services in Norway and tourism in Saudi Arabia.

Other questions raised by Pogge's proposal are the type of goods that will be taxed in his model and the reasons why Pogge's dividend only includes oil and natural resources, and not companies such as Berkshire Hathaway, Bank of America, Apple, Toyota, General Electric, Samsung Electronics, Mercedes, or IKEA. Since the economies of some African developing countries mainly depend on the revenues obtained from natural resources rather than on companies such as Apple or Toyota, Pogge's model proposes to tax natural resources instead of corporations in order to alleviate poverty in these countries. A quick glance at the top 100 listed companies in the world reveals that they are based in the US, the EU, the UK, China, Canada, Australia, Russia, Hong Kong, India, Brazil, South Korea or Japan (Forbes.com, 2018). In fact, most of these companies are concentrated in the US, the EU, the UK, China and Japan, while companies based in either in the Arab world or in Africa are not included in the list. In the case of South and Central America, there are only two companies from Brazil.

Many agree that, while Pogge's dividend does not affect banks and industrial companies, it puts pressure on the resources produced in developing countries (e.g., oil), which are still recovering from post colonisation or oppressive regimes. Table 1 provides information regarding the prof-

Table 1. The above figures are from Forbes (Forbes.com, 2018)

Company	Country	Billion \$		
		Profit	Assets	Market Value
Apple	USA	53.3	\$367.5	926.9
British American Tobacco	UK	48.3	190.8	120
Industrial & Commercial Bank of China Ltd (ICBC)	China	43.7	4210.9	311

its, assets and market value of the multinational companies of the top list in 2018.

After comparison of these data with the revenue obtained by several governments, we observe that many countries have revenues far below the reported profits of the above mentioned companies. Therefore, it is unclear which reasons lead Pogge to tax the resources of a poor African country with a revenue of less than a billion dollars, while companies such as Apple, with a profit of \$53 billion, are excluded from this tax. A possible justification for this may be that Apple's profits are not based on natural resources. However, the logic behind taxing natural resources, such as gold, and not technology products, remains unclear, even if the companies in the top 100 list are more financially affluent than poor countries.

The list of the largest economies in the world (including corporations and companies) in 2015 reveals that more than two thirds of the strongest economic entities are corporations. Specifically, an important number are banks, technological and industrial companies and others with similar economic activities. However, none of the companies in the list has harvesting natural resources as their primary activity. The pertinent question here concerns the reasons why Pogge would urge the US and the EU to be part of the mechanism enforcing sanctions on those developing countries that do not pay a dividend for their natural resources (Pogge 2001, p.69), while corporations would only have to pay if they produce or consume natural resources. (Pogge 1994, p.200). Table 2 presents the top 100 countries and corporations ranked according to their revenue:

Table 2. Top 100 countries and corporations (extracted from Global Justice Now (2016), cited in Green 2016). Corporations are marked in gray

	Countries/ Corporation	Revenue (US\$, bns)		Countries/ Corporation	Revenue (US\$, bns)		Countries/ Corporation	Revenue (US\$, bns)
1	United States	3,251	35	Austria	189	69	Ping An Insurance	110
2	China	2,426	36	Samsung Electronics	177	70	United Arab Emirates	110
3	Germany	1,515	37	Turkey	175	71	Kroger	110
4	Japan	1,439	38	Glencore	170	72	Société Générale	108

(Continue)

Table 2. Top 100 countries and corporations (extracted from Global Justice Now (2016), cited in Green 2016). Corporations are marked in gray (*cont.*)

Countries/ Corporation	Revenue (US\$, bns)		Countries/ Corporation	Revenue (US\$, bns)		Countries/ Corporation	Revenue (US\$, bns)
5 France	1,253	39	Industrial & Commercial Bank of China	167	73	Amazon.com	107
6 United Kingdom	1,101	40	Daimler	166	74	China Mobile Communications	107
7 Italy	876	41	Denmark	162	75	SAIC Motor	107
8 Brazil	631	42	United Health Group	157	76	Walgreens Boots Alliance	103
9 Canada	585	43	CVS Health	153	77	HP	103
10 Walmart	482	44	EXOR Group	153	78	Assicurazioni Generali	103
11 Spain	474	45	General Motors	152	79	Cardinal Health	103
12 Australia	426	46	Ford Motor	150	80	BMW	102
13 Netherlands	337	47	China Construction Bank	148	81	Express Scripts Holding	102
14 State Grid	330	48	AT&T	147	82	Nissan Motor	102
15 China National Petroleum	299	49	Total	143	83	China Life Insurance	101
16 Sinopec Group	294	50	Argentina	143	84	J.P. Morgan Chase	101
17 Korea, South	291	51	Hon Hai Precision Industry	141	85	Gazprom	99
18 Royal Dutch Shell	272	52	General Electric	140	86	China Railway Engineering	99
19 Mexico	260	53	China State Construction Engineering	140	87	Petrobras	97
20 Sweden	251	54	AmerisourceBergen	136	88	Trafigura Group	97
21 Exxon Mobil	246	55	Agricultural Bank of China	133	89	Nippon Telegraph & Telephone	96
22 Volkswagen	237	56	Verizon	132	90	Boeing	96

(Continue)

Table 2. Top 100 countries and corporations (extracted from Global Justice Now (2016), cited in Green 2016). Corporations are marked in gray (*cont.*)

Countries/ Corporation	Revenue (US\$, bns)	Countries/ Corporation	Revenue (US\$, bns)	Countries/ Corporation	Revenue (US\$, bns)
23 Toyota Motor	237	57 Finland	131	91 China Railway Construction	96
24 India	236	58 Chevron	131	92 Microsoft	94
25 Apple	234	59 E.ON	129	93 Bank of America Corp.	93
26 Belgium	227	60 AXA	129	94 ENI	93
27 BP	226	61 Indonesia	123	95 Nestlé	92
28 Switzerland	222	62 Allianz	123	96 Wells Fargo	90
29 Norway	220	63 Bank of China	122	97 Portugal	90
30 Russia	216	64 Honda Motor	122	98 HSBC Holdings	89
31 Berkshire Hathaway	211	65 Japan Post Holdings	119	99 Home Depot	89
32 Venezuela	203	66 Costco	116	100 Citigroup	88
33 Saudi Arabia	193	67 BNP Paribas	112		
34 McKesson	192	68 Fannie Mae	110		

If countries with high poverty rates (China, Brazil, Mexico, India, Argentina, Indonesia, Venezuela and Turkey) are excluded from the list, we observe that 5% of the revenue of companies and richest countries amounts to \$1,186 billion. This revenue is nearly 400% higher than the \$300 billion that Pogge's dividend would collect if applied. Similarly, including other companies and countries would also result in higher revenues. However, collecting money from countries and companies is not the issue here. The main point is deciding the criteria and reasons to include particular countries and companies in this model. In any case, such choice needs to be justified on moral and economic grounds. Presumably, if I propose a model to tax financial institutions, wealth, rich countries, or any other type of capital, the model would face the same critique as Pogge's proposal in section 1.1, which is not surprising given the fact that any proposal to solve world's poverty requires taking into account many factors. In particular, any alternative to Pogge's proposal should contain a political vision and an account of human history, including the

consequences of colonialism for today's poverty as well as the role played by other factors. For reasons of space, this interdisciplinary proposal will be addressed in detail in a forthcoming article as a continuation of this paper.

1.2. POGGE'S ASSUMPTIONS

Pogge sees as beneficial the participation of the EU Commissioner for International Cooperation and Development in the activities of Health Impact Fund (HIF). He also considers that there are efforts to get sponsorship from the General Assembly of the United Nations (Pogge 2010a, pp.13-14). Essentially, it seems that Pogge's model presents the countries responsible (e.g. EU and UN) for the current problems of postcolonial countries as (part of) the solution. This fact negatively affects the alleged cosmopolitan character of Pogge's idea. Although Pogge's proposal may find support in the West, the EU Commissioner and the UN, it is doubtful whether the citizens of postcolonial countries would agree with it. However, since the latter have not been included as part of the solution at this stage, they do not have a say in Pogge's proposal.

1.3. A PARTICULAR PERSPECTIVE OR A UNIVERSAL ONE THAT INCLUDES ALL HUMAN GROUPS?

This section attempts to establish whether Pogge proposes this idea as a cosmopolitan world ideal, or in fact, an idea with a deep-rooted Western perspective. Pogge is acutely aware of the past, and the historical wrongdoings that caused misery in the world. In this regard, he states: "Most of the existing international inequality in standards of living was built up in the colonial period when today's affluent countries ruled today's poor regions of the world: trading their people like cattle, destroying their political institutions and cultures, and taking their natural resources." (Pogge 2005, p.38)

Although Pogge's quote illustrates his views on the world, it is not clear whether his perception of the West can be extrapolated to the rest of the world. Pogge (2010b, p.18) accuses African governments of corruption and oppression and questions the legitimacy of working towards an agreement between the elites of these governments and foreign states

or corporations to deprive the population of these African countries of their natural resources. However, the model does not question the ways in which these corrupt governments reached power. Furthermore, instead of imposing sanctions on the regimes (the West, Russia and China) that contribute to sustain the corruption in African, Asian or South American countries, Pogge proposes a tax on the resources of poor African countries. For these reasons, some may argue that Pogge's solution to poverty is biased.

It is also important to highlight that the primary oppressor in Pogge's scenario is the African leader. However, Pogge's model omits the role played by the colonizing countries that once supported corrupt and tyrannical regimes that plundered the livelihood of the poor. Again, Pogge's view seems to be biased due to the unequal treatment of African and colonialist leaders: while African leaders are condemned by their actions, colonial leaders, who were involved in corruption by arming the countries or supporting a coup, seem to be free from liability.

As in the case of the Nigerian ruling class (Pogge 2001, p. 63), other examples illustrating the role played by colonial powers and its consequences for civilians are:

1. Russia and Syria: according to Transparency International (Corrupt Perception Index 2018, p.9), Syria is the second most corrupt state in the world. In fact, Amnesty International confirmed that members of the Syrian Armed Forces have committed war crimes and that the government has attacked civilians with chemical weapons with the help of Russia. Furthermore, Russia continues blocking the actions of the UN Security Council (Amnesty International 2018, p. 350). As a result, Syrian citizens are paying the price of a corrupted government supported by Russia.
2. The US and Iraq: Iraq is classified as the thirteenth most corrupt state in the world, according to Transparency International (Corruption Perceptions Index 2018, p.9). According to Amnesty International (2017), militias (part of the Iraqi armed forces) are using arms supplied by the US, Russia, Iran and Europe to commit war crimes and aggressive acts of vengeance.

Thus, the problem with Pogge's proposal is not that it imposes taxes on the natural resources of countries such as Syria or Iraq but that, in doing this, it is omitting the role played by Europe, US and Russia in the

corruption of such states. In Pogge's view, only corrupt African leaders should be sanctioned by the EU and US if they do not pay the GRD (Pogge 2001, p.699). However, it seems unjust to overlook the liability of countries such as Russia and US in the corruption of Syria and Iraq, respectively.

Even though Pogge calls for a decentralised mechanism of sanctions (Pogge 2001, p.69), a closer look at it shows how such mechanism, enforced by the US and the EU, could be turned into an additional imperial card to be used by these countries to control international affairs. However, if the countries that impose sanctions on corrupted regimes are, as the examples above illustrate, the same that support such corruption, it is impossible to ensure the implementation of such mechanism, either in developing or in developed countries.

Another example that illustrates Pogge's biased model is the fact that, in his article *Fighting Global Poverty* (2017, pp. 512-523), he only includes references to developed industrial countries (e.g., the UN, Warren Buffet, Bill Gates or the Individual Deprivation Measure, an indicator of poverty in which the household is deemed to be deprived if it owns no more than one radio, TV, telephone, bicycle, motorbike, car or tractor). Therefore, developing countries, which are precisely the most affected by poverty, are excluded. An indicator of poverty exclusively based on the way of life of developed countries cannot be extrapolated to developing countries where the population have to face other problems such as lack of access to clean water, no locally produced food, lack of dignity, no full sovereignty, no locally armed forces to protect people from invasion and crimes committed by the colonial states. Thus, it is doubtful whether Pogge's methodology is appropriate to evaluate what constitutes poverty since it forces developing countries to acquire what developed countries produced instead of covering more basic needs.

Pogge (2017, p.512) starts his article *Fighting Global Poverty* by stating: In 2006, Warren Buffett declared *the largest charitable gift of all time*. He gave USD 44 billion (cf. Loomis, 2006) – to the Bill and Melinda Gates Foundation. According to Pogge, when Buffett asked Gates ten years later to justify what they have done with the money transferred (USD 20 billion until then), Gates's answer was "inadequate" since Gates did not provide information about the work done but about the recent achievement and progress of the world. This shows that Pogge had taken for granted the legitimacy of Buffett's wealth because when the "legendary investor Warren Buffett announced the largest charitable gift

of all time”, Pogge did not consider several critical considerations. As it may be argued, the adjective “legendary” cannot be applied to the successors of colonialists who now “gift” money to poor countries since their wealth is the result of the illegitimate appropriation of lands and resources by colonising, massacring and taking advantage of such countries in the past. Let us illustrate this contradiction using a current example. If a group of people looted a house to give the stolen money to the poor, it is unlikely that Pogge would consider them as “legendary”. Thus, one might ask why Pogge addresses past and present illegitimate appropriation of goods differently. This fact illustrates again the biased nature of Pogge’s proposal since he only questions the corruption of certain African leaders and at the same time he ignores what was once confiscated from the indigenous.

In order to overcome the problems posed by the above mentioned mechanism, Pogge presents the *Individual Deprivation Measure* (henceforth, IDM) as an “alternative method” to evaluate poverty (Pogge et al. 2014). In this report, the authors argue that other methods “exclude important dimensions of deprivation, are difficult to compare across contexts and over time, take the household rather than the individual as the unit of analysis, and are incapable of revealing gender disparities. Furthermore, most existing measures are not justified through processes of public reasons that include poor men and women” (Pogge et al. 2014, p.vi). The IDM covers food, water, shelter, health, energy and cooking fuel, sanitation, clothing, family planning, environment (exposure to environmental harm), time use (labour burden, leisure time), work, education, family (control in decision making in the house, supportive relationships), violence (violence experienced in the last 12 months and the perceived risk of violence in the next 12 months), and voice (ability to be heard in public decisions) (Pogge 2017, p.521).

One of the advantages of the IDM, as presented by its authors, is that it solves the problem of other methods that exclude the critical dimensions of deprivation. However, the IDM repeats the same error. The IDM focuses on some issues and ignores others that are central, such as the history of particular human groups that have been or are currently subjected to colonisation, genocide or domination by another powerful human group. It seems that it is evident that nutrition should be included as a parameter for poverty. In contrast, other parameters such as supportive relationships and violence in the last and coming twelve months are less convincing. However, which are the reason to decide that sup-

portive relations are more important than returning to a land colonised years or centuries ago? Or that being subject to violence in the last twelve months is an indicator of poverty, but not the last ten, fifty or even one hundred years? Some would not doubt that this is selective in its construction. In addition, such selection parameters would be in favour of the colonial and imperial powers; those that plundered poor countries in the past, but now encourage them to “look to the future”. This is not say that time and history are not relevant in the recent past. However, restricting the measurement to twelve months would be unjust for the weakest and most vulnerable groups of society that were once the victims of colonialism.

1.4. SECRET BANK ACCOUNTS

Another institutional practice mentioned by Pogge (2017, p.44) that has a negative impact on the poor is secret bank accounts. According to Pogge, this practice “facilitates corruption, embezzlement, drug trading, terrorism and human trafficking” (2017, p.44). Although one may understand that Pogge proposes sanctions for these bank accounts due to the injustice they caused, it is unclear whether Pogge would admit that the use of indigenous money and resources by colonialists constitutes corruption. Thus, would he apply the word “corruption” only to developing countries?

Pogge underlines that “states should agree to end this practice as soon as reasonably possible by imposing collective sanctions on the offending banks and countries” (Pogge 2015, p.44). In this light, would Pogge admit that colonial regimes have corrupted and misused indigenous fortunes and that many of them continue to do so? Furthermore, would Pogge admit that state terrorism was perpetrated by many “democratic” states when they colonised and, in some cases, continue to colonise other countries? If this were the case, Western states should be subject to the sanctions urged by Pogge. If not, then Pogge’s target would be weak countries, mainly in Africa, Asia and South America, that do not have the power to refuse and resist the sanctions. In fact, these sanctions would be even considered as a new way of colonising the weak to manipulate them.

1.5. DID POGGE GO FAR ENOUGH? DID HE SET A LIMIT FOR HIS IDEA?

Pogge seems to oppose to the behaviour of leaders of the countries that sell resources, sign treaties, use the money of their country to buy military equipment to repress civilians, or take loans in the name of their country, regardless of how they seized power. This explains why many countries are poorly governed. For Pogge, such practices are seen as contributors to finance dictators who are brutal, repressive, corrupt, anti-democratic and unconstitutional (Pogge 2010a, p.163). Although few would disagree with Pogge's view, it seems that he sets a limit to justice when Western values are scrutinised. In other words, Pogge questions practices in developing countries, but not to the same extent in the developed West.

1.6. HAS POGGE'S TERMINOLOGY TREATED ALL HUMAN GROUPS EQUITABLY?

One of Pogge's common practices is the ambiguous use of terminology. For example, in his article *Real World Justice*, when speaking about poverty, Pogge states: "We citizens of the rich countries are conditioned to think of this problem as an occasion for assistance" (Pogge 2005, p.29). Some have objected that the expression "we citizens of the rich countries" may group all people who possess legitimate wealth into one basket (e.g., the natural resources of their country) and also others who have occupied lands illegitimately. The problem is that it implies that the two groups are expected to have the same moral obligations, a scenario that should be considered as unjust for someone seeking justice.

Another example of the ambiguous use of terminology by Pogge's is when he states: "In a recent book, I have claimed that we – the more advantaged citizens of the affluent countries – are actively responsible for most of the life-threatening poverty in the world" (Pogge 2005, p.30). The fact that Kuwait is affluent (having much money or owning many things) does not make Kuwait actively responsible for life-threatening poverty in the world. For that reason, it makes no sense to employ the same terminology to refer both to Kuwait and to a country whose wealth is partially the result of colonisation and that, in fact, continues to benefit from its imperial political practices. In other words, a citizen of Kuwait

who owns land that is rich in oil would rightly be considered rich. This scenario is significantly different from that in which a colonialist or a descendant of a colonialist exploits the oil of an occupied land, after massacring or subjugating its indigenous people. A debate could be held discussing the moral responsibility of affluent citizens to help the poor, but it is vital to distinguish between plundered versus legitimately and morally owned wealth.

1.7. COMMITTEES

Health is one of the elements of extreme poverty that Pogge (2001, p.60) addresses in his dividend. In *The Health Impact Fund (HIF): More justice and efficiency in global health*, Pogge (2011) leads the Global Justice Program, in a way that it does not only make Pogge a theoretical thinker who aims for justice, but also someone who attempts to implement justice institutionally. Nevertheless, a closer look at the Global Justice Program led by Pogge reveals that this programme has a narrow vision. To illustrate this, consider how Pogge (2011, p.i) introduces his article: "Some 18 million people die annually from poverty-related causes. Many more are suffering grievously from treatable medical conditions. These burdens can be substantially reduced by supplementing the rules governing pharmaceutical innovation." From this statement, we can deduce that one of his approaches to solving world poverty consists in leading the Health Impact Fund. If we look at the scientific advisory board of the Health Impact Fund, we see that only 2/9 (22%) of the members are non-Western white. The Advisory Board is no better, as only 1/20 (5%) of its members are non-Western white. Therefore, the question raised is how one can fight against inequality if the committee in charge is mostly formed precisely by those who are the successors of past colonial and imperial regimes responsible for the misery in the world, especially if we take into account that Pogge recognises that poverty can be traced back to the colonial era. Some could argue that Pogge ignores the mistrust between white people on one side and the colonially oppressed on the other. More importantly, some might believe that Pogge is making an assumption – that as we in the West have played a role in causing poverty, then we should solve it – assuming that the West knows better than anyone else what all human groups need. Rather than having committee boards that are not reasonably representative of all human groups,

there should be alternatives to ensure more cosmopolitan committees where all groups would be represented. The following paragraph discusses some examples.

Another institutional practice mentioned by Pogge (2017, p.44) that is detrimental to the poor is the outflow of resources from developing countries – an outflow that is not beneficial to the population or subject to its approval. Pogge demands a “Southern Resource Export Expert Committee” that decides whether these exports serve the interests of the population. Moreover, if this committee decides that a deal is not approved, then the deal should be discouraged, and the buyers are required to pay a percentage of the value of the acquired resources to a fund intended to eradicate poverty. This fact raises some questions:

1. Who would name the committee members? Would such appointment be subjected to voting? Who would ensure the enforcement of the committee’s decisions? Pogge does not address these and other critical questions. However, they are vital since many developing countries show antidemocratic behaviours. Thus, it is essential to identify the responsible for making decisions on behalf of people. For example, in the case of non-democratic countries, committee member appointments could be made by citizens and expatriates. Although this would not represent the whole country, it would be a better solution than appointing committee members from other countries, mostly formed by white persons who do not represent these countries.
2. Would the committee approve the export of oil from developing countries in Africa and other continents, or approve the export of resources from occupied lands? If a percentage of the benefits from the exported oil or other resources from a developing country or occupied land does not go to its people, then the export is not in their interests. One of the issues of most significant concern is the fact that the committee would become a neo-colonial instrument to dominate and extort former colonies and developing countries.
3. Who determines the interests of a nation, Pogge’s Expert Committee or the nation itself? In fact, what happens with the countries where citizens are not represented by any parliament? In this case, the interests of the population could be in the hands of either the Southern Resource Export Expert Committee or the monarch or dictator. In both cases, it is likely that the citizens do not participate

in the decision-making process. What would the Expert Committee do if they encountered a scenario where a country's parliament decides to undertake a project – for example, launching a nuclear programme – even if the committee members have decided that is not in the interests of the population? Which decision will prevail – the elected parliament's or the Expert Committee's? Once again, this kind of committee may become a neo-colonial instrument that could adversely affect the developing, colonised and weak countries. Superpowers and colonial powers could deftly evade the Expert Committees decisions, as they have done with international laws and Security Council resolutions in the past, as in the case of Syria and Russia.

1.8. POLLUTION

Pogge lists a few examples of institutional schemes that harm poor people and proposes solutions to fix them. One of such schemes concerns pollution. In this regard, Pogge states: "To help deter emissions and offset their effects, countries should be required to pay a fee for emissions above a certain per capita threshold as compensation into a fund dedicated to poverty eradication" (Pogge 2015, pp.43-44). Since the industrialisation process began in advanced economies more than a century ago, it does not seem fair to force developing countries to pay the same proportion as advanced economies without considering their history. Is it fair that an extremely advanced manufacturing company in a German city pays the same tax for the pollution it causes as a manufacturing company in an African city that has just started and has no historical track record, and without competition in the same city? According to Pogge's methodology, German manufacturers would be in a more advantageous position because they would possess the knowledge to reduce their emissions and the resources and experience to face the tax proposed by Pogge. Furthermore, they could also sell their emission-reducing technology to African countries. Conversely, the manufacturer in Africa would be adversely affected since the technology necessary to reduce pollution emissions is advanced and created by industrial countries. Therefore, Pogge's ideas and tax do not seem to be fair for developing countries. In fact, they would be catastrophic for newly emerging industries in these countries.

CONCLUSION

In conclusion, we can see that Pogge's dividend would worsen the world situation due to its many deficiencies. Primarily, the 1% dividend would not have a significant impact, as it would produce less than \$1 per day for every person classified as poor. We have seen that choosing this particular figure has an invalid justification, as well as equalising the dividend rate for all countries, for we could not expect Norway, Saudi Arabia and the Democratic Republic of the Congo to pay the same percentage. Moreover, by targeting resources and safeguarding the position of large corporations, the superpowers might use the 1% tax as an additional card to increase their domination over weaker countries, especially as Pogge calls clearly for the levying of EU and US sanctions on those that do not pay their dividend. In addition, Pogge does not justify why his model excludes international banks and companies whose profits are higher than those of many developing countries. We have seen that Pogge proposes the creation of a committee that would decide whether a country should export its resources. However, he does not elaborate on the very process of selection of the committee members, which may turn the committee into a new postcolonial instrument of manipulation against developing countries.

Finally, we saw that Pogge proposes a tax on emissions, which would require the use of advanced technologies mostly produced by an industrialised superpower. Therefore, Pogge's proposition would directly benefit such powerful countries. Furthermore, this scenario would be unfair, as it ignores and zeroes out the industrial history of advanced economies, leaving weaker developing countries with no other choice but to reduce their industry and spend more on high-tech solutions bought from more advanced industrial countries.

Pogge recognises that colonialism has played a role in today's world poverty. However, there are flaws in his solution to address the issue. He has selected natural resources as the sole taxation denominator. Large and well-established multinational companies and corporations appear to be favoured. In fact, it seems that primarily Western people are the responsible for managing and directing institutions in Pogge's proposal. He calls for EU and US sanctions on those countries that do not adhere to his taxation policy. Pogge's fairness and equity in his treatment of corrupt and "affluent" countries compared to developing countries are doubtful. Furthermore, his proposal of an Expert Committee, not giving adequate weight to the application of justice for historical acts of colonialism, as

well as other critical factors, turns Pogge's dividend into a source of fear. Many see his proposals as posing a real threat to developing countries – particularly those that have managed to extricate themselves from colonialism, and those that still fight for their freedom, either from existing colonialism or from post colonialism. In future studies, it would be essential to analyse Pogge's ideas and approach from the perspective of postcolonial and oriental studies as well as to bring up for discussion his ideas. The final objective would be to find a better and workable alternative theory, such as the cosmopolitan theory, based on justice and equity that would reflect the ambitions of all human groups, especially those who have suffered and continue to suffer the consequence of colonialism or post colonialism.

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