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## Poverty Relief, Global Institutions, and the Problem of Compliance

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Thomas Pogge and Andrew Kuper suggest that we should promote an 'institutional' solution to global poverty. They advocate the institutional solution because they think that non-governmental organizations (NGOs) can never be the primary agents of justice in the long run. They provide several standard criticisms of NGO aid in support of this claim. However, there is a more serious problem for institutional solutions: how to generate enough goodwill among rich nation-states that they would be willing to commit themselves to supranational institutional reforms. In the current international political climate, the implementation of such institutional reforms introduces several intractable problems, including difficulties of global coordination and enforcement. I defend the solution of NGO aid from the criticisms presented by Pogge and Kuper, and propose how it might be reformed. My main suggestion is that all practising NGOs should be required to be 'accountable for reasonableness' in the sense that Norman Daniels and James Sabin have outlined.

Among the many challenges associated with globalization, eradicating poverty stands out as both extremely urgent and ethically complex. While it is clear that what we want is a significant lessening of death and disease due to poverty, how this can be achieved and who is responsible for carrying it out are far less clear. The enormous gap between the rich and poor indicates that a redistribution of wealth from the former to the latter would make the world more just, but this fact, taken on its own, is not very illuminating. It is only when we turn to the task of hammering out a concrete solution that we can begin to see, and to work through, those issues that stand in the way of instantiating global justice. Among them are fundamental questions about the obligations of nation-states and other international actors, the nature and purpose of their interactions, and the most desirable shape of international institutions. The resolution of these background issues is by no means a simple undertaking, but the urgency of the problem

demands that we take them up as they arise—keeping in mind that, ultimately, we are after practical strategies for addressing the problem. In what follows, I will explain and criticize what I call ‘the institutional view’ of poverty relief, and sketch out an alternative that both avoids its main defect and relies on a less ideal conception of international relations. My own view focuses on the kind of improvements that would be required for conventional international aid to acquire the legitimacy and accountability that it now lacks.

### The Individual View vs. the Institutional View

In the philosophical literature, there are two standard approaches to the problem of global poverty. The first is exemplified by the work of Peter Singer, who maintains that *as individuals* we have a moral obligation to give generously to organizations such as Oxfam in order to prevent harm caused by extreme poverty. We might call this ‘the individual duty view’. By contrast, philosophers such as Thomas Pogge and Andrew Kuper suggest that we should support a systemic or ‘institutional’ solution to global poverty. The institutional view directs our attention away from the acts of individuals and toward the institutional rules to which all individuals and states are subject. On this view, global poverty is both caused and perpetuated by political and market institutions that are badly slanted in favour of powerful nation-states. The argument for this claim goes, roughly, as follows: Historically, powerful states have used their military and economic strength to shape the way interactions take place at the global level. They have ‘made the rules’, so to speak. Under the current rules, many poor countries fare quite badly. Only if there were no feasible alternatives that could avoid this outcome could these rules be justified. However, there *are* feasible institutional alternatives under which poor countries would fare much better. As such, the perpetuation of the status quo amounts to the coercive imposition of an unjust order on poor countries, by affluent ones. Pogge sums this up nicely when he says:

Citizens and governments of the affluent countries—whether intentionally or not—are imposing a global institutional order that foreseeably and avoidably reproduces severe and widespread poverty. The worse-off are not merely poor and often starving, but are being impoverished and starved under our shared institutional arrangements.<sup>1</sup>

According to this view, institutions are at the root of the problem and so institutional reform is clearly the solution. While there are potentially very many alternative arrangements that would improve the lot of poor countries, I will restrict my focus here to the one suggested by Pogge himself. He calls his alternative scheme the ‘Global Resources Dividend’ (or GRD). It would work like this: those people who make extensive use of the planet’s resources

1. Thomas Pogge, *World Poverty and Human Rights* (Oxford: Blackwell, 2002), p. 201.

would compensate those who, involuntarily, are able to use very little. For instance, a \$2 per barrel GRD tax on crude oil could be instituted, which would be payable to a central fund. The countries from which the oil is extracted would pay the tax, but the extra cost would ultimately be passed on to end users in the marketplace. The funds collected by the central fund could then be redistributed such that they are 'maximally effective toward ensuring that all human beings can meet their basic needs with dignity'.<sup>2</sup>

Pogge suggests that the disbursement of these funds should be governed by clear, straightforward rules that are cheap to administer. The disbursing body should also be maximally transparent, in order to 'exclude political favoritism and the appearance thereof'.<sup>3</sup> Since the allocation of funds would be exclusively geared toward meeting the basic needs of the poor (rather than toward securing other political benefits for the donors), it would be much more efficient than conventional development assistance. Moreover, the disbursement scheme should create incentives for developing countries by rewarding significant gains in eradicating poverty—the more progress a country makes in this regard, the more funds should be allocated to it.

Having outlined the institutional view, we can now ask why Pogge and Kuper might prefer this type of solution to the individual duty view. The main reason seems to be that they regard traditional methods of development aid as seriously flawed. For instance, Kuper asserts that non-governmental organizations (NGOs) 'can never be the primary agents of justice and aid in the long run', for several reasons.<sup>4</sup> First, their funding is too capricious, depending as it does on the inclinations of donor countries and individuals. Second, their access to particular populations depends on the whims of others (usually rulers), whose interests often diverge significantly from the aims of NGOs. Third, they are not democratically elected or sufficiently accountable for their actions and aims, and finally, they cannot produce large-scale growth or redistribution.

Pogge suggests additional reasons why we ought to reject NGO aid. He notes that it engenders donor fatigue and even contempt for the poor by requiring 'affluent citizens and governments to rally to the cause again and again while knowing full well that most others similarly situated contribute nothing or very little'.<sup>5</sup> Further, he thinks that NGO aid 'has an aura of handouts and dependence' which would be avoided by an institutional solution.<sup>6</sup>

Thus, the argument for an institutional solution to global poverty actually proceeds on two fronts: by pointing out the merits of a scheme such as the

2. Pogge, *World Poverty and Human Rights*, p. 206.
3. Pogge, *World Poverty and Human Rights*, p. 206.
4. Andrew Kuper, 'More than Charity: Cosmopolitan Alternatives to the Singer Solution', *Ethics and International Affairs* 16 (2002), pp. 107-20 (114).
5. Pogge, *World Poverty and Human Rights*, p. 212.
6. Pogge, *World Poverty and Human Rights*, p. 207.

GRD, and by criticizing the current system of NGO relief programmes. It is my intention here to challenge both of these lines of argument. However, far from simply suggesting that individual generosity rather than institutional reform is the answer, I would like to suggest that framing the problem in this dichotomous manner blinds us to a third possibility that does not suffer from the defects of either. So far, we have seen the defects of the NGO alternative. I'll now point out some drawbacks of the institutional approach.

### Problems for the Institutional View

The central problem for institutional solutions such as Pogge's is how to generate enough goodwill among rich states that they would be willing to commit themselves to these types of reforms. Indeed, Pogge even admits that 'the GRD would cost more and return less in direct political benefits' than traditional development or humanitarian aid.<sup>7</sup> As a result, he recognizes that powerful states might be reluctant to comply. However, he gives two reasons for believing that the compliance of the world's two strongest powers—the United States and the European Union—could be secured. First, he notes that 'moral convictions can have real effects even in international politics ... provided the citizens of the more powerful states can be convinced of a moral conclusion that really can be soundly supported and a path can be shown that makes only modest demands on each of us'.<sup>8</sup> He cites the abolition of the slave trade in Britain as an example of how the moral convictions of citizens can impact international norms in a positive manner.

Secondly, Pogge argues that an enterprise such as the GRD has clear prudential value, even for powerful states, and so they might be persuaded to cooperate on this basis. He claims that we can no longer afford to ignore what is going on in the developing world. He suggests that creating greater equality between states and more prosperity in developing countries would help mitigate against the spread of terrorist attacks, epidemics, the drug trade, and pollution, all of which will threaten rich states more in the future. Contributing to the GRD would be cheaper overall for powerful states than exposing themselves to these other threats.<sup>9</sup>

In addition, Pogge argues that greater prosperity in developing countries will enable governments to protect the basic rights of their citizens and provide elementary education, which will, in turn, tend toward the creation of well-ordered, democratic regimes. The emergence of democratic institutions in developing countries is in the interest of powerful states, and this aim would be promoted by entering into a scheme such as the GRD.

While I admire Pogge's optimism in this regard, I still think there are several considerations that work against the possibility of obtaining compliance

7. Pogge, *World Poverty and Human Rights*, p. 207.

8. Pogge, *World Poverty and Human Rights*, p. 211.

9. Pogge, *World Poverty and Human Rights*, p. 213.

from *both* very powerful and less powerful states. My first worry is about his argument from the moral consensus of citizens. Indeed, it is sometimes the case that change can be heavily influenced by the attitudes of citizens in affluent countries, but Pogge has an overly idealistic view of the dynamics of international relations. Thomas Weiss characterizes a Pogge-type view of the foundations of international politics as ‘efforts to agree upon desirable international public policies within governmental, intergovernmental and nongovernmental arenas’.<sup>10</sup> This type of view focuses on the cooperation evident between states when they form treaties and cooperate in institutions such as the United Nations. On the other hand, it is possible to view international politics as, in Weiss’s words, ‘the competition among states for survival and supremacy and for maximizing national interests in an anarchical world’.<sup>11</sup> While I am no realist, and so would not wholly subscribe to the latter view, it does seem somewhat naïve to discount it altogether. Pogge knows this, since he admits that powerful governments and multinational corporations have historically ‘negotiate[d] and re-negotiate[d] the rules of the game among themselves with each pressing vigorously for its own advantage, using war and threat of war when this seems opportune and showing no concern for the interests or even survival of the weakest “players”’.<sup>12</sup>

The point here is that the power of moral consensus is always going to be tempered by considerations of national interest—and it does not seem realistic to presume that the citizens of affluent countries will be able to sustain a preference for morality over economic interest, especially when economic times are bad. In the case of slavery, its abolition affected only some of the British population for the worse, namely, slave-traders. A measure such as the GRD affects virtually everyone in affluent states, including those with not much money relative to their fellow citizens. I am skeptical that they could be convinced to cooperate, and importantly, to *lend continued support* to cooperation.

Further, history has shown that global institutions such as the UN are typically susceptible to the interests of the most powerful states, and so any ‘moral mission’ they adopt is going to be strongly influenced by these interests. This is the main reason such organizations have worked only imperfectly in the past, and I see no reason to suppose that this will change in the near future. While I recognize that this is exactly the type of power manoeuvring that Pogge is trying to circumvent with his proposal, the problem is how to get there from here. In any political struggle between the more powerful and the less so (or, if you prefer, the exploiters and the exploited), this is the major hurdle it must surmount. It seems to me that moral consensus is not likely to secure compliance on its own.

10. Thomas Weiss, ‘Principles, Politics and Humanitarian Action’, *Ethics & International Affairs* 13 (1999), pp. 1-22 (11).

11. Weiss, ‘Principles, Politics and Humanitarian Action’, p. 11.

12. Pogge, *World Poverty and Human Rights*, p. 128.

Likewise, Pogge's prudential argument rests on shaky foundations. It presupposes that powerful states will see the promotion of democracy as in their long-term interest. Even if we grant this assumption, there is one main problem with it—that a state's long-term interest may conflict with its short-term interest, particularly in economic matters. Given that presidents and prime ministers need to be re-elected, it is not likely that they will support reforms which leave their people as a whole economically worse-off, even in the name of democracy. In fact, the opposite has often been the case—affluent states have been known to prop up dictators for the sake of securing economic benefits.

But these concerns pale in comparison with the final difficulty facing Pogge's proposal—the cooperation problem. Again, he is aware of this particular difficulty and has even gone so far as to give it a name. He calls it 'appealing to the sucker exemption'.<sup>13</sup> Rich states can refuse to unilaterally institute reforms that favor the global poor on the grounds that this would put them at a competitive disadvantage relative to other states, who we can presume are looking out for their own interests and so would take advantage of this situation to the fullest extent. Pogge addresses this problem when he says, '[b]ut if each such society so defended itself by pointing to the others, the reasonable response would surely be to ask them all to work out a multilateral reform that affects all of them equally and thus does not alter their competitive positions, vis-à-vis one another'.<sup>14</sup>

In theory, this sounds good. However, in order for such a reform to work, all or most states would have to institute the GRD at roughly the same time. From a logistical point of view this seems obviously problematic, since democratic governments must be receptive to the changing attitudes of their citizens. Also, making reforms dependent upon cooperation on such a large scale sets up the real possibility of a drawn-out 'waiting game' in which each state waits for others to move towards compliance. This difficulty is made immeasurably worse by the fact that if states forgo regular aid until such time as all states can implement reform, many people will die in the meantime.<sup>15</sup>

Even if this logistical difficulty could be somehow worked out, continued compliance would need to be guaranteed. In order to ensure that no states renege on their obligations, there would have to be some type of global enforcement. Pogge suggests that the EU and/or the US could implement trade sanctions on those less powerful countries that fail to comply. While they may be perfectly *able* to do this, they may be reluctant to take on the role of enforcers, since sanctioned countries may then retaliate by setting up their own trade barriers which would negatively affect their 'sanctioners'. We should not discount the force of the profit motive which lies in the background here.

13. Pogge, *World Poverty and Human Rights*, p. 128.

14. Pogge, *World Poverty and Human Rights*, p. 128.

15. Kuper, 'More than Charity', p. 115.

In addition, if the US and the EU were to be the *de facto* enforcement mechanism for the GRD, then their own compliance with the reform would always be voluntary. In international politics, there is no effective way to 'regulate the regulators', and so the US and the EU would be free to come in and out of compliance as they saw fit. *Knowing* that the US and EU need only comply when it is in their interest, it doesn't seem reasonable for any less powerful state to agree to this type of solution in the first place, because it puts them at risk of incurring sanctions for non-compliance without the assurance that the powerful states will also do their part. This is, of course, one version of a classic problem associated with international cooperation.

### Ideal Theory and the Best Outcome

Since they are obviously aware of the many difficulties associated with the institutional view, why do Pogge and Kuper (among others) still cling to it? What makes them want to defend something with so many flaws that must be overcome? Kuper makes his reasons explicit, and I am willing to conjecture that Pogge is similarly motivated. The institutional view is attractive because *if* it could work (and that is a big 'if—'), it would most certainly be the best solution to the problem. Kuper argues against the individual duty view precisely because he thinks it is not the best solution overall. He wants to know what policies are '*the most* beneficial to global development and poverty relief', and claims that 'an articulated philosophy is not going to recommend *sub-optimal* ... courses of action'.<sup>16</sup>

Kuper specifically likens his view to the structural analysis of Marxism, which, famously, outright rejects piecemeal solutions to impoverishment in favour of the wholesale reorganization of societies. He notes that

[a] theory that does not include a contextual and institutional analysis ... is condemned to recommending brief symptomatic relief, or even damaging and counterproductive action. This is not a peculiarly Marxist point, and one does not need to sympathize with Marxists to think that telling the bourgeoisie to be more charitable as individual actors is unlikely to produce deep changes.<sup>17</sup>

No doubt there are multiple alternative structures that would be an improvement on the current rules of international interaction. However, the main issue for me is which options have some practical plausibility—*not* which one would create the best outcome in theory. I would be willing to settle for a 'sub-optimal' solution if it would improve the current situation of the global poor and was a realistic practical alternative. As such, I prefer to work from the type of institutions we have and ask how they might be improved and made justifiable, rather than focusing on refining my conception of the optimal solution. This difference in approach ultimately comes

16. Kuper, 'More than Charity', p. 118, my emphasis.

17. Kuper, 'More than Charity', p. 113.

down to conflicting background views about the relevance of ideal theory for applied ethics and political philosophy.

Kuper argues that an ideal conception of justice is a '*valuable orienteering mechanism for action*' because it allows us to see whether we are moving closer or further away from where we want to be.<sup>18</sup> Additionally, he notes that having such a standard in mind means that we can be pro-active in working towards it. Even when tough choices need to be made along the way, since we know where we are headed, then we will not 'unwittingly make sub-optimal choices'.<sup>19</sup>

While I agree that ideal theory has a role to play, it is important to see that it is limited in its practical applicability. This is because, as Kai Nielsen points out, ideal theory is interested in which principles or institutions rational people would agree to '*assuming everyone will fully comply*'.<sup>20</sup> Moreover, Nielsen notes that even in ideal theory we must take into account 'what is humanly possible', that is, we must have an adequate conception of human nature and how societies work, before we can paint even an ideal picture of international justice.<sup>21</sup> Mere logical possibilities cannot do the work here. My point in bringing in the ideal/non-ideal distinction is that non-ideal theory can admit that not everyone will comply with whatever scheme is put in place. It can also admit that even if it is possible for people to comply, they often will not. Taking this fact about human nature into account, non-ideal theory can still ask what we ought to do for the worse-off.

And this seems to me to be the right question to ask, because full compliance with any cooperation scheme in a political arena that lacks effective enforcement is not a genuine possibility. Further, poverty affects peoples' well-being right now, and we do not need a picture of the ideally just world in order to take small steps in the right direction.

To be fair, Pogge argues that it is the very feasibility of the GRD which demonstrates the injustice of the current world order. As such, he is trying to appeal to what is humanly possible. Still, he does not treat the compliance problem as central. Instead, he addresses it after he has worked out his solution, and so in my view, takes up the issues in exactly the wrong order. Another reason to think that Pogge is working from ideal theory is that he does not consider what the implementation of the GRD would look like in the real world. One of the main problems with creating supranational institutions and organizations is that they are too large, and so are susceptible to any number of abuses by people and states behaving 'non-ideally'—that is, acting according to a sense of their interests that does not correspond with

18. Kuper, 'More than Charity', p. 115.

19. Kuper, 'More than Charity', p. 116.

20. Kai Nielsen, 'Ideal and Non-Ideal Theory: How Should We Approach Questions of Global Justice?' *International Journal of Applied Philosophy* 2 (1985), pp. 33-41 (35), emphasis added.

21. Nielsen, 'Ideal and Non-Ideal Theory', p. 36.

the cooperative aims of the group. One problem of this sort might be that it is hard to know in advance if the end users would really pay the GRD tax. The way new taxes affect behaviour is notoriously hard to predict, and no doubt power relations would have an influence at this level as well.

In addition, the size of the central administration required for a scheme such as the GRD is another strike against it. Large bureaucracies invite tyranny and bureaucratic waste. Pogge cannot simply stipulate that its administration should be cheap, effective and transparent. Rather, he needs to tell us how these administrative features of the scheme could be maintained on such a grand scale.

In the spirit of non-ideal theory, Onora O'Neill suggests that we ought to examine the concrete capabilities of various international actors in order to determine 'which obligations of justice they can hold and discharge'.<sup>22</sup> She notes that, 'the value of focusing on capabilities is that this foregrounds an explicit concern with action and the results that agents or agencies can achieve in actual circumstances, and so provides a *seriously realistic starting point for normative reasoning*'.<sup>23</sup> In particular, she directs our attention to the capacities of non-state actors, which she defines as 'institutions that are neither states, nor international in the sense of being either interstitial or intergovernmental, nor directly subordinate to individual states or governments, but that interact across borders with states or state institutions'.<sup>24</sup> NGO aid agencies are among these actors.

According to the definition just presented, we should understand NGOs as part of international civil society, and not as privately run charities that exist outside the political realm. Kuper sees them as distinctly private entities since he says, 'we cooperate and succeed ... through social rules and institutions. Effective poverty relief will thus require above all else extensive cooperation with other agents—indeed, it will require the creation ... of agencies to reduce poverty'.<sup>25</sup> As Singer points out, NGOs such as Oxfam and Doctors Without Borders already do this.<sup>26</sup> What exactly is Kuper suggesting then? He must be suggesting the creation of supranational institutions (like Pogge) because he thinks NGOs are not genuine political institutions. His problem with NGOs, then, is not that they cannot deliver the goods. Rather, it is that they are not a permanent, systematic, integrated set of agencies that are created by nation-states.

While it might be true that NGOs do not constitute a single coherent system, it is not true that they do not have either a political, or an institutional

22. Onora O'Neill, 'Agents of Justice', *Metaphilosophy* 32 (2001), pp. 180-95 (189-90).

23. O'Neill, 'Agents of Justice', p. 189, original italics.

24. O'Neill, 'Agents of Justice', p. 191.

25. Kuper, 'More than Charity', p. 115.

26. Peter Singer, 'Poverty, Facts, and Political Philosophies', *Ethics and International Affairs* 16 (2002), pp. 121-24 (123).

character. They are large, established, complex organizations that operate according to their own standards as well as the requirements of international law. They negotiate with both donor and recipient governments. They often represent the interests of their beneficiaries in intergovernmental forums. Some (though not all) are internally democratic. Most importantly, they *already have* the capabilities to relieve suffering due to poverty in even the most remote regions of the world. Perhaps many NGOs are not ideally structured, but it still seems gratuitous to create a whole new set of institutions to address poverty when we already have them. Moreover, it might turn out to be a good thing that NGOs are members of civil society, rather than answerable to governments.<sup>27</sup>

### NGO Aid Reform: A Third Alternative

It should be apparent by now that I favour reform of NGO-delivered aid over the creation of new supranational institutions. However, I am not thus subscribing to the individual duty view as it is usually understood. This is because I reject the idea that the international aid community is a bunch of private organizations from which it is inappropriate to expect the type of accountability and legitimacy characteristic of political institutions. They are already an established part of the international political scene, and I will argue that certain reforms could address their weaknesses and increase their viability as a vital poverty-reduction mechanism.

My main reason for recommending NGO aid reform is that this type of solution does not suffer from the compliance problems which afflict the institutional view. However, in order for my view to be persuasive, I should also address those concerns that caused Pogge and Kuper to rule out this option in the first place. Let us recall what they were: (1) NGO funding is too capricious, (2) they are not democratically elected or accountable, (3) they are not effective on a large scale and, finally, (4) they create donor fatigue.

I will now sketch out a programme of reform intended to address these problems. My first recommendation is that donations to NGOs should be 'general' rather than directed at specific recipients. This would eliminate much of the control donor countries have over who receives aid. As a result, aid could be more efficiently directed at eradicating poverty than it is now. Indeed, Singer points out that 'three of the biggest donors—the United States, France, and Japan—direct their aid, not to those countries where it will be most effective in fostering growth and reducing poverty, but to countries where aid will further their own strategic or cultural interests'.<sup>28</sup> In fact, many

27. To clarify, I am mainly thinking of large, international NGOs. I am not referring to agencies that are exclusively concerned with monitoring and reporting, such as Amnesty International, religious groups, or small-scale, local NGOs. So for the purpose of the recommendations I am about to make, I am using the term 'NGO' in this limited sense.

28. Peter Singer, *One World* (New Haven: Yale University Press, 2002), p. 191.

donors already agree to make substantial general donations when they deal with certain NGOs.<sup>29</sup>

General donations would also eliminate the problem of competition among NGOs for funds that are too often directed exclusively at 'popular' recipients, that is, those that are currently in the news. If NGOs had greater leeway to decide where to allocate funds, they would also be better able to cooperate amongst themselves such that more populations in different areas could be helped. Also, if NGOs were to require all donations to be general in form, then they would not have to move money around according to the whims of donors and so could do more long-range projects.

One might worry that such a requirement would discourage donations, but it does not seem to do so for individuals, most of whom make their donations to a particular agency and not to a particular recipient country. Further, it seems unlikely that governments would simply stop giving to NGOs altogether, if all or most of them were to institute this requirement. After all, NGOs are the organizations that most often implement aid programmes on the ground, and it would be very costly for governments to duplicate this type of expertise for their own purposes. Finally, at least some countries already prefer their money to go to those places where it will be most efficiently used.<sup>30</sup>

My second recommendation would be to require all practising international NGOs to be 'accountable for reasonableness' in the sense that Norman Daniels and James Sabin have outlined.<sup>31</sup> This entails engaging in a process of deliberation in which the reasons for decisions are both available to all stakeholders and rationally defended. A fair and accountable process of this sort must meet several conditions—it must be publicly accessible, allow the possibility of appeals, and be effectively regulated.<sup>32</sup>

The first condition requires that decisions and their rationales be made publicly available. Allocation decisions, and the rationales behind them, would then begin to resemble a kind of 'case law' to which people could turn for precedents and to make objections. Daniels and Sabin argue that this would increase the fairness of decisions both substantively and procedurally—substantively because it encourages people to give justifications that are well thought out, and procedurally because like cases would be treated alike.<sup>33</sup> Both the transparency of public deliberations and their increased fairness would strengthen the legitimacy of international NGOs.

29. For instance, Médecins sans Frontières (Doctors Without Borders) does not accept 'targeted' donations, but they still receive significant government aid.

30. Peter Singer notes that the Nordic countries in Europe already do this. See Singer, *One World*, p. 191.

31. Norman Daniels and James Sabin, *Setting Limits Fairly* (Oxford: Oxford University Press, 2002), p. 44.

32. Daniels and Sabin, *Setting Limits Fairly*, p. 45.

33. Daniels and Sabin, *Setting Limits Fairly*, p. 48.

The 'appeals' condition requires that '[t]here must be mechanisms for challenge and dispute resolution ... and more broadly, opportunities for revision and improvement of policies in the light of new evidence or arguments'.<sup>34</sup> This condition would allow potential recipients of aid, current recipients of aid, governments, and the public to put forward arguments when they disagree with certain decisions. This opportunity would likely bring much needed additional information to the table and so increase aid effectiveness. More importantly, an appeals process would greatly increase NGO accountability, because they would be forced to either justify their practices in light of objections, or change them.

What I have in mind here is *not* that donor interests and concerns would be the focus of the justification and appeals processes. Rather, I am specifically thinking about how to generate greater accountability to recipients. More transparency and public accountability would shed light on a number of key concerns, such as the nature of negotiations or agreements with local authorities, the degree of risk to which recipients are exposed as the result of unintended consequences of aid, and the reasons for changing or discontinuing projects.

Finally, Daniels and Sabin's regulation condition requires that some type of official monitoring take place to ensure that the other conditions are met. Third-party monitoring bodies could be set up, in which democratically elected members would review the practices and decisions of NGOs based in their country at set intervals. The members of these bodies could be a combination of experienced aid practitioners, representatives from developing countries and donor representatives. Decentralized monitoring would allow NGOs to retain most of their flexibility with regard to project design and location, since it would not create too much additional bureaucracy. The purpose of the monitoring would not be to standardize the activities of NGOs everywhere, but rather to increase their transparency, produce greater accountability, and check their effectiveness—recognizing that organizations may have different mandates and methods.

Unlike powerful nation-states, it would be possible to effectively regulate NGOs with relatively small, impartial monitoring bodies. NGOs could be licensed to practice by such entities, and their continued good standing could depend on being successfully reviewed. Indeed, the introduction of a license would improve aid quality in many respects, since it would weed out those organizations that do not demonstrate sufficient expertise.

These reforms would increase NGO accountability, improve their effectiveness and allow them to cooperate better in order to widen the scope of their action. As for their funding being capricious, most of the larger, more successful NGOs have solved that problem by restricting the amount any particular government can contribute in any given year, and by developing a strong base of private supporters. They also sign contracts with certain

34. Daniels and Sabin, *Setting Limits Fairly*, p. 45.

governments that extend over a period of several years to lock in their funds. By ensuring that their funding comes from many sources, they have greater control over the planning of their future projects. Moving from general to specific donations would only give them more independence in this regard, and so it seems to me that this objection is not particularly worrisome.

By contrast, the fact that NGOs create donor fatigue and exude 'an aura of dependence' may simply be something we have to live with.<sup>35</sup> Indeed, as we have seen, even a solution such as the GRD depends significantly on the continuing goodwill of powerful states. Certainly citizens might just as easily become 'fatigued' by a tax increase on natural resources as they are by their governments' contributions to foreign aid. Until developing countries are powerful enough to bargain on a more equal footing in the economic realm, they will always be dependent in some way on the goodwill of the stronger states. I cannot see how introducing the GRD would be more effective at rectifying this imbalance than conventional development assistance, since both depend on the goodwill of the stronger party.

These suggested reforms have one final feature to recommend them—they do not suffer from compliance problems. NGOs could institute the internal reforms and opt-in to the review process one at a time. Indeed, once the review systems were set up, the increased legitimacy and credibility participation would confer upon them would act as an incentive for NGOs to participate. Donors, too, could choose to contribute funds to those NGOs that comply with the reforms one at a time. They need not wait to see what other states will do because they would be using the same funds that they typically allocate to foreign aid in any given year.

### Conclusion

The reforms just sketched out are not an ideal solution to poverty relief. In fact, they only apply to the roughly 36 per cent of aid that is distributed by NGOs.<sup>36</sup> This means that the remaining bilateral aid would still be plagued by the problems associated with the political interests and hard-bargaining of donor states. However, these reforms would have a considerable impact on the effectiveness and accountability of aid *as it is delivered right now*. Further, these recommendations focus on those international actors that are the least affected by considerations of national interest and profit. This makes them a more realistic alternative than sweeping suggestions of new, state-centred, global institutions. We *can* have a transparent, accountable, effective system of poverty relief, which seems to be the wish of philosophers such as Pogge and Kuper. It might just look different than they thought it would.

35. Pogge, *World Poverty and Human Rights*, p. 207.

36. Daniel Little, *The Paradox of Wealth and Poverty* (Cambridge: Westview Press, 2003), p. 177. Here he is citing the World Bank.