

# Global interdependence and distributive justice

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Charles Beitz's *Political Theory and International Relations* has had an enormous impact on analyses of the ethical issues raised at the global level. It was the first systematic discussion of such ethical issues in the last 50 years if not more. It remains a landmark for a number of different reasons. First, it stands out for the sophistication of its philosophical argument and the meticulous argumentation throughout. The latter is deployed not simply to provide powerful critiques of other perspectives (such as realism and the morality of states). It also puts forward and defends with considerable ingenuity a cosmopolitan theory of distributive justice. A second striking and impressive feature of the book is that it successfully integrates philosophical argument with a deep grasp of the nature of world politics and the empirical and theoretical literatures on salient aspects of world politics. It remains an exemplar for how to argue in global political theory. To these two virtues we should also add that of a tremendous range. Beitz engages not simply with contemporary political theorists (such as Rawls) and International Relations scholars (such as Hans Morgenthau, Kenneth Waltz, Robert Keohane and Joseph Nye) but also with important thinkers of the past. His work analyses, among others, Grotius, Hobbes, Wolff, Vattel, Kant, Durkheim, Sidgwick and Mill.

For these, and other, reasons *Political Theory and International Relations* has stood the test of time well. The book is divided into three parts, each of which remains of paramount importance to debates about the ethical character of global politics. Part One remains a key discussion of (the untenability of) realism. Part Two's discussion of the 'morality of states' poses a formidable challenge to those who maintain the unconditional value of state sovereignty. And Part Three provides the first systematic defence of a cosmopolitan conception of distributive justice – an analysis which, especially given its emphasis on the moral significance of global interdependence, continues to be of utmost relevance.

## I

In this article, I wish to focus on this last element – Beitz's defence of a cosmopolitan account of distributive justice in Part Three of his book. This section has received an enormous amount of critical attention. I am in sympathy with Beitz's egalitarian theory of global distributive justice but I am unconvinced by the arguments for that position that he presents in *Political Theory and International Relations*.

To develop my criticisms let me begin by outlining Beitz's analysis. Beitz begins by working with John Rawls's famous *A Theory of Justice* and it is impossible to recount Beitz's argument without a short account of Rawls's general theory of justice. As is well known, Rawls argues that principles of justice can be identified by asking what people would choose in a hypothetical choice situation ('the original position'). Persons are asked what principles they would choose if they were unaware of certain key aspects of their identity, such as their conceptions of the good, their talents and their class: these are hidden behind what Rawls terms the 'veil of ignorance'.<sup>1</sup> What would be chosen? Rawls's answer is that agents in the original position would choose two principles of justice: first, there should be a system of equal basic liberties, and, second, society should be structured in such a way as to maximise the condition of the least well-off class of persons (the 'difference principle').<sup>2</sup> Rawls's theory is complex and sophisticated and so cannot be relayed in a short space but three further features are of particular importance in this context. First, Rawls claims that justice applies within systems of cooperation: the hypothetical contract should thus apply among persons who belong to a common system of cooperation. Second, Rawls assumes that a state is a common system of cooperation and so the difference principle should be implemented within the state. Third, and finally, Rawls does have a brief discussion of the principles that should govern global politics. He contends that the right way to derive such principles is to hold a second contract: this time it includes representatives of states. The parties are told that they represent a state but they do not know which one. Such parties, he contends, would choose some orthodox principles of international relations – principles such as non-intervention, self-defence, keeping treaties, observing rules of *jus in bello* and so forth. Importantly, no principles of global distributive justice would be chosen.<sup>3</sup>

## II

In response to this position Beitz advances two arguments. Beitz's first argument will be considered in this and the next section before we then turn to his second argument. His first argument contends that the contracting parties in an international contract would, contrary to what Rawls claims, choose a global principle of distributive justice. In particular, Beitz argues, the parties would choose a 'resource redistribution principle' (p. 138) mandating that each country have sufficient natural resources to operate a just society (pp. 136–43). Why? His answer is nicely encapsulated in the following passage:

the parties to the international original position . . . would view the natural distribution of resources as arbitrary in the sense that no one has a natural *prima facie* claim to the resources that happen to be under one's feet. The appropriation of scarce resources by some requires a

<sup>1</sup> See John Rawls, *A Theory of Justice*, revised edn. (Oxford: Oxford University Press, 1999), ch. III, pp. 102–68.

<sup>2</sup> *Ibid.*, p. 266.

<sup>3</sup> *Ibid.*, pp. 331–3.

justification against the competing claims of others and the needs of future generations. Not knowing the resource endowments of their own societies, the parties would agree on a resource redistribution principle that would give each society a fair chance to develop just political institutions and an economy capable of satisfying its members' basic needs (p. 141).

Beitz is emphatic not just that the parties would choose a natural resource principle of justice but also that they would not choose any stronger principle. He does add that they might choose a principle of 'mutual aid' – a principle, that is, that says that in times of need societies ought to come to one another's aid. But this is not proposed as a principle of *justice* (p. 143).

Beitz's claim that the parties would agree only to distribute *natural resources* is, however, problematic. In the first place it is not clear what the argument is for restricting the parties to distributing natural resources. Beitz concentrates on showing why the parties would distribute natural resources among the states of the world but says much less on why they would restrict themselves to natural resources alone. But we do need to be provided with an answer to this second issue if we are to accept Beitz's derivation of a natural resource principle.

In addition to this, the representatives of states would seem to have an incentive to distribute not just natural resources but also the economic products that result from economic interaction and cooperation. To comprehend why we should begin by observing that within Rawls's theoretical framework members are said to wish to advance what Rawls terms their 'primary goods', that is, their wealth, income and the 'social bases of self-respect'.<sup>4</sup> Individuals, that is, wish, *ceteris paribus*, to increase their total amount of wealth and income. Now given this, and given that the agents in Rawls's international original position are the representatives of the members of their state, it follows that they too should be motivated to increase the primary goods of their members. But if this is their objective then they would have an incentive to distribute not just natural resources but also the products of economic interaction (that is the goods and capital that result from human creation) because the latter, like the former, will boost their people's primary goods. Put otherwise: wouldn't state representatives simply act in the same way that individuals in Rawls's first contract would and choose to maximise the condition of the least well-off in the world? Given their motivations – to maximise their primary goods – they would be motivated to distribute both natural resources and social products and would make no distinction between them because both further people's wealth and income.<sup>5</sup>

Beitz's claim that the parties would restrict themselves to a natural resource principle is thus undefended and indeed we have reason to reject it. Given this argument, how can Beitz resist the claim that the parties would redistribute more than just natural resources?

Let us consider two possibilities. One is suggested by some remarks that Beitz makes. He writes (pp. 140–41):

Where there is no social cooperation, there are no benefits or burdens of cooperation, and hence no problem of conflicting distributive claims concerning the fruits of cooperation.

<sup>4</sup> *Ibid.*, pp. 54, 78–81, 123.

<sup>5</sup> On this see Beitz's later reflections in his 'International Liberalism and Distributive Justice: A Survey of Recent Thought', *World Politics*, 51 (1999), p. 278. See also Thomas W. Pogge, 'An Egalitarian Law of Peoples', *Philosophy and Public Affairs*, 23:3 (1994), pp. 195–224, esp. pp. 210–11.

(This is why a world of self-sufficient national societies is not subject to something like a global difference principle.)

This argument is not developed further and it is not straightforwardly obvious how one should interpret it. On the most natural reading of these remarks the argument runs as follows. If no cooperation takes place then there could not, as a matter of logic, be any principles of distributive justice governing the products of cooperation (cf. p. 131). The latter presuppose that there is cooperation.

If, however, this is the argument it cannot sustain Beitz's conclusion. It is, of course, true that one can distribute goods resulting from cooperation only if there is cooperation that generates goods. This point is logically inescapable. However, it does not establish that the goods resulting from cooperation may only be distributed among the members of a system of cooperation that produced those goods and may not be distributed to members of other societies by the parties to an international contract. It simply says that to distribute the products of economic cooperation there must be cooperation but this does not address the question of among whom these products should be shared. It supplies no reason for thinking there would be anything wrong in distributing the products of a system of social cooperation amongst absolutely everyone in the world whether or not they had taken part in the productive process. That distributive justice presupposes social cooperation, then, does not entail that global distributive justice presupposes global social cooperation.

### III

In the light of this, someone might adduce a second – normative – argument for Beitz's claim that the parties to Rawls's international contract would not distribute the benefits of social cooperation. This second argument goes as follows: people who engage in a process of social cooperation *deserve* to keep the products of that cooperation. Hence in a world without global cooperation if society *X* experiences economic growth by dint of its own efforts then it is wrong to distribute those benefits to others in the world. The key principle underlying this argument is that a group of people that produces benefits *deserves* to keep them.<sup>6</sup> Let us term this the Group Desert Argument.

Prior to evaluating this argument, we might note that this argument coheres well with, and can make moral sense of, Beitz's distinction between natural resources and the products of cooperation and his assumption that natural resources should be distributed according to one rule and the products of economic cooperation according to another (p. 137). The Group Desert Argument can, that is, explain why social products should be distributed to those who make them (they deserve them) and why natural resources should be distributed to all (no one in particular deserves them).

<sup>6</sup> Wilfried Hinsch attributes an argument rather like this to Rawls (in Rawls, *The Law of Peoples with The Idea of Public Reason Revisited* (Cambridge, MA: Harvard University Press, 1999), pp. 117–18). See Hinsch's 'Global Distributive Justice', *Metaphilosophy*, 32:1/2 (2001), pp. 71–5. For a contrasting interpretation and critique of Rawls, see my 'Cosmopolitanism and the Law of Peoples', *Journal of Political Philosophy*, 10:1 (2002), pp. 114–17.

There are, however, several problems with this argument. The first is that the Group Desert Argument is empirically implausible. Some residents of successful economies have not contributed at all to the process of cooperation (and so could not be said to be entitled to benefits on the grounds that they deserve them) and yet they would receive benefits under Beitz's scheme.

Second, the principle of rewarding people according to their *desert* is a highly dubious one. As Rawls himself so famously argued, people do not deserve their talents and so do not 'deserve' the products of their talents. Talents are a product of luck and wholly arbitrary and so no one can claim to be entitled to more because of their luck in the natural lottery. There is, then, something puzzling about a theory of justice that rewards people for attributes, such as their talents, that are the product of good luck and that disadvantages others because they have the misfortune to be less talented.<sup>7</sup>

A further problem with the Group Desert Argument is that Rawls's argument against 'desert' entails that someone working (as Beitz was) within the Rawlsian framework cannot both employ it to defend the right of states to keep 'their' social product and also retain other aspects of Rawls's theory like the veil of ignorance and the difference principle. For both of the latter are built in part on Rawls's rejection of desert. His use of a veil of ignorance, for example, presupposes that people do not deserve the products of their talents and hence should not be allowed to know what talents they possess in the original position. Similarly, his affirmation of the difference principle is predicated on the belief that people are not entitled, as a matter of desert, to remuneration. Hence someone cannot *both* use the concept of desert to defend the right of societies to what they produce *and* yet also use the concept of the original position with the veil of ignorance and the difference principle (both of which rest on the rejection of desert).<sup>8</sup>

At this point someone might argue that even if the arguments of the last two paragraphs are correct people can sometimes be legitimately entitled to receive more than others. And they might use this to argue that a state might be legitimately entitled to keep the products of its social cooperation. If this is right then Beitz could claim that the parties to an international contract would distribute natural resources but would not distribute the social product of each individual society on the grounds that members of states are legitimately entitled to the products of their cooperation.

To make sense of this argument we need to introduce Rawls's notion of 'legitimate expectations'. Rawls's idea proceeds as follows: a theory of distributive justice will justify a framework of rules specifying how much various professions should be paid, how much they should be taxed and so on. The rules of this institutional framework will be selected by determining which best embody and further ideals of distributive justice. Now once these rules are in operation it follows that some people will be legitimately entitled to more because the occupation they have chosen or the amount of work they have done entitles them to more (as judged by the preferred theory of distributive justice). This, note, is importantly distinct from a 'desert'

<sup>7</sup> Rawls, *A Theory of Justice*, pp. 87–9, 273–7.

<sup>8</sup> Note, too, that Beitz pretty explicitly endorses Rawls's critique of 'desert' (p. 163; cf. further pp. 161–3).

theory. People are not entitled to more on the grounds that they deserve it in virtue of their talents and/or industry. Rather they are entitled to more because what they have done is judged valuable by the institutional framework justified by the correct theory of distributive justice.<sup>9</sup>

However, once it is put like this, it becomes apparent that we cannot use the concept of 'legitimate expectations' to justify the rights of a state *not* to distribute 'its' social product to foreigners and thereby defend Beitz's conclusion. For we could make this argument work only if we ensured that it met two conditions. First, Beitz would need to provide a theory of global justice that should apply in a world where there is no cooperation. Such a theory, however, cannot be assumed or introduced by Beitz at this stage for it is what he is trying to derive. Second, we would need to be given an argument showing how one can derive from this theory of global justice the conclusion that states are entitled to their social product. We do not have any theory that performs both of these tasks and until we do so this 'legitimate expectations' argument cannot help Beitz's claim that the parties to an international contract would not distribute the social product of self-contained states.

The charge against Beitz's first main claim thus stands: there is no reason to suppose that the contractors in Rawls's international contract would restrict themselves to redistributing natural resources and, indeed, there is good reason to reject this supposition. Hence the participants in an international contract would, I believe, choose a more expansive principle of global justice that would distribute not just natural resources but also the social product of self-contained states.

#### IV

Having criticised Beitz's first argument, I now wish to consider his second. Beitz's second argument proceeds as follows: first, as we saw above, Rawls argues that principles of distributive justice that govern the products of social cooperation apply among schemes of cooperation. To this he adds the claim that there is now a global scheme of social cooperation. And from these two claims he infers that there should be a global hypothetical contract. One should ask what principles of distributive justice persons would select if they did not know which country they came from; and, in such a global original position, Beitz contends, individuals would choose a global difference principle. Put at its crudest, Beitz's conjecture is that, given the extent of globalisation, principles of distributive justice (such as the difference principle) should be adopted at the global level (pp. 143–53).

Before evaluating this argument, we should note that since publishing *Political Theory and International Relations* Beitz has relinquished this second argument.<sup>10</sup> This, however, does not undermine its significance for, Beitz's repudiation notwithstanding, many remain persuaded by Beitz's original argument. It is common practice among

<sup>9</sup> For the concept of 'legitimate expectations', see Rawls, *A Theory of Justice*, pp. 88–9, 273–7.

<sup>10</sup> See Beitz 'Cosmopolitan Ideals and National Sentiment', *Journal of Philosophy*, 80:10 (1983), p. 595 fn. 8. See, further, his 'Afterword', p. 204 and 'Does Global Inequality Matter?' *Metaphilosophy*, 32:1/2 (2001), pp. 95–112.



cosmopolitan political philosophers to argue that principles of justice should be globalised because there is global economic interdependence and interaction.<sup>11</sup> Beitz's argument thus remains of tremendous importance. Second, the objections to Beitz's argument that I wish to introduce are different to his own later misgivings. So even if Beitz's own objections to his earlier views are set aside, my claim is that his second argument is flawed for other reasons.

With this duly noted, let us return to Beitz's argument. The first point to observe is that the concept of 'a scheme of social cooperation' (p. 131) is critical to Beitz's argument. To appraise it, it is worth asking four questions about the concept.

- Q1: Why does social cooperation have relevance for a theory of distributive justice? (the moral significance of social cooperation for justice in general);
- Q2: Why does the difference principle apply only among those linked by social cooperation? (the moral significance of social cooperation for the difference principle in particular);
- Q3: What type of interdependence must exist for there to be a scheme of social cooperation and hence for the difference principle to apply? Must the interdependence be voluntary or of benefit to everyone? (the type or quality of interdependence);
- Q4: How much interdependence must exist for there to be a scheme of social cooperation and hence for the difference principle to apply? (the amount of interdependence).

Let us consider Beitz's answers to these four questions beginning with Q1 and Q2. Why does the fact or falsity of globalisation have such importance both in general and more specifically for the difference principle? Beitz's answers are orthodox Rawlsian ones. Principles of distributive justice, such as the difference principle, should apply to systems of interdependence because the latter exert an enormous impact on people's lives (p. 166, and also 'Afterword', p. 201).

Consider now Q3: Beitz's answer to this is that principles of distributive justice apply to persons who are interconnected. The jurisdiction of a scheme of distributive justice should comprise those persons whose lives are intertwined with one another and whose actions impinge on and affect each other. It is sometimes argued against Beitz that he claims that justice applies when people belong to a mutually beneficial system and that he is mistaken to think that the global economy is mutually beneficial in this way.<sup>12</sup> But Beitz escapes such objections because his claim is simply that principles of distributive justice govern persons whose lives are interconnected *regardless of whether that interaction is of mutual benefit*. As he writes, 'everyone need not be advantaged by the cooperative scheme in order for requirements of justice to apply' (p. 150 fn. 52). He denies that 'interdependence

<sup>11</sup> Examples include Darrel Moellendorf *Cosmopolitan Justice* (Boulder, CO: Westview Press, 2002) and Thomas Pogge, *World Poverty and Human Rights: Cosmopolitan Responsibilities and Reforms* (Cambridge: Polity, 2002).

<sup>12</sup> See Brian Barry, 'Humanity and Justice in Global Perspective', *Liberty and Justice: Essays in Political Theory*, vol. 2 (Oxford: Clarendon Press, 1991), p. 194; Chris Brown, *International Relations Theory: New Normative Approaches* (Hemel Hempstead: Harvester Wheatsheaf, 1992), p. 176. For Beitz's own response to this kind of challenge, see his 'Afterword', pp. 200–203.

must actually benefit everyone involved to give rise to questions of justice . . . countries A and B are involved in social cooperation even if A (a rich country) could get along without B (a poor country), but instead exploits it, while B gets nothing out of its “cooperation” but exacerbated class divisions and Coca-Cola factories’ (p. 150 fn. 52). Principles of distributive justice apply to persons independently of how this system actually distributes benefits and burdens: ‘it is not necessary for my argument that the existing distribution conform to any particular pattern’ (p. 152: cf. also p. 145). Distributive justice applies even if each member would ‘not actually be advantaged in comparison with what his or her position would be in the absence of that scheme’ (p. 131).<sup>13</sup> Indeed, it applies even if the interdependence entails that ‘everyone’s position is depressed’ in comparison to what they would have been without interdependence (p. 131).

Beitz’s answer to Q4 is, however, much more problematic. And this is the aspect that I wish to focus on in the remainder of this article.<sup>14</sup> In response to Q4, Beitz argues that principles of distributive justice (such as the difference principle) apply only once a certain ‘threshold’ level of interdependence has been met (pp. 165–7). This position generates a number of problems.

In the first place, Beitz is quite vague on what this threshold is: just how much global trade and interaction must there be for one to be able to say that we have met this threshold? Beitz writes that the difference principle applies where ‘interdependence in trade and investment produces *substantial* aggregate economic benefits’ (p. 145: my emphasis: cf. also p. 148). Elsewhere he maintains that ‘[w]hat is important in demonstrating that interdependence constitutes social cooperation in the relevant sense is that international economic relations be shown to produce *significant* aggregate benefits and costs that would not exist if states were economically autarkic’ (p. 152: my emphasis). And he says that it applies where the international economy has ‘*great* influence’ (p. 166: my emphasis). The global difference principle, however, would not apply if there were ‘no *significant* trade or other economic relations’ (p. 133: my emphasis) – where, that is, the interaction is ‘marginal’ (p. 133).<sup>15</sup> The problem here is simply that these terms – ‘substantial’, ‘great’, ‘significant’ and ‘marginal’ – are too imprecise to play the important role required of them and determine where the threshold lies.

Second, and related, how does one justify where to draw the line between a difference-principle-generating level of interdependence and a level of interdependence which is insufficient to generate the difference principle? What criteria are used to make such a decision? Further, how are these criteria justified?

<sup>13</sup> Indeed prior to *Political Theory and International Relations*, Beitz actually argued that justice applied globally on the basis that global interdependence disadvantaged certain countries. Far from thinking global interdependence mutually beneficial he relied heavily on the claims of ‘dependency theory’: see his ‘Justice and International Relations’, *Philosophy and Public Affairs*, 4:4 (1975), pp. 373–6. In *Political Theory and International Relations*, he explicitly shifted from this position and maintained that the global application of distributive justice requires global interdependence *simpliciter* and independently of how the burdens and benefits of interdependence were distributed (p. 152 fn. 56).

<sup>14</sup> Rather surprisingly, this issue is rarely even raised. Brown briefly raises the issue in *International Relations Theory*, p. 176. See also James Brassett and Richard Higgott ‘Building the Normative Dimension(s) of a Global Polity’, *Review of International Studies*, 29 (2003), Special Issue, p. 39.

<sup>15</sup> For further similar statements, see pp. 133, 150 fn. 51, 165. For a contrasting statement see Beitz’s claim that ‘[a]ll that is required is that interdependence produce benefits and burdens’ (p. 152: cf. also p. 131).



Third, Beitz's threshold view is normatively unsatisfactory: imagine a state of affairs just below the threshold. The difference principle is inapplicable. And then imagine there is a tiny increase in interdependence that is sufficient to tip the amount of interdependence to the requisite level. It seems counter-intuitive, and unfair on the impoverished in the below-threshold society, to think that the difference principle is not for them just because of the lack of a bit of interaction. More generally there would seem to be a Sorites' type problem. That is to say, tiny incremental increases in interdependence would surely make no difference and yet an iteration of tiny increments suddenly, at some point, makes a momentous change.

Fourth, note that Beitz does say that below the threshold 'significantly weaker principles hold' (p. 165) (significantly weaker, that is, than the difference principle). But this introduces yet further problems. In the first place, what are these significantly weaker principles? Second, to ascribe some global distributive principles where there is only minimal interaction prompts the question: why is a certain threshold of interdependence not necessary for these weaker principles whereas it is necessary for the difference principle? Why are they exempt from this condition? And, if they are exempt from this condition why is the difference principle bound by it? To these two problems we should add a third: namely, how do we derive such principles? The problem of how to derive these weaker principles is acute because Beitz's method of identifying principles of distributive justice (his contractual framework) is ill-suited to dealing with scenarios in which there is interaction but it is of a below-threshold level. It would not seem appropriate to have a global original position for that, according to Beitz, applies only when there is interdependence of a sufficiently high level. That leaves a contract between states. But this is problematic for two reasons. First, as we have seen, Beitz thinks that states in such a contract would choose only a natural resource principle. Secondly, as I have argued above, the representatives of states would not choose principles weaker than a global difference principle.

An even more basic concern about the threshold view is simply that it is not clear what normative grounding there could be for adopting a threshold view. Why would it be wrong to adopt a continuum-style approach, according to which the extent of distribution varies continuously and in direct proportion to the extent of interdependence (a possibility Beitz considers and rejects on p. 165)?

## V

Before concluding our analysis of global interdependence it is worth exploring a distinction between different kinds of globalisation that might be employed to provide support for Beitz's defence of a global difference principle. To see this let us distinguish between, on the one hand, the system of rules within which people act (what Rawls terms 'the basic structure') and, on the other hand, the actions of persons within those systems (including the extent to which persons interact with others).<sup>16</sup> One might, thus, have a global system of rules (a global basic structure),

<sup>16</sup> Rawls, *A Theory of Justice*, pp. 6–10.

where this means that there is a common set of regulations, codes and practices which are the same everywhere and encompass all within their jurisdiction. Such a claim, note, is distinct from the claim that people throughout the world interact extensively with other people throughout the world. It is analytically possible for there to be a global structure and yet there might not be very high levels of interaction and interdependence.<sup>17</sup> Beitz, we might note, suggests the same distinction at various places in *Political Theory and International Relations*. For example, he distinguishes between the ‘joint product with respect to which conflicting claims might be pressed’ (economic interaction) and the ‘common institutions (e.g., enforceable property rights) to which principles could apply’ (the basic structure) (p. 131). His awareness of the distinction is again present in his statement that ‘[i]t is not only true that interdependence involves a *pattern of transactions* that produce substantial benefits and costs; their increased volume and significance have led to the development of a *global regulative structure*’ (p. 148; my emphasis). In his Afterword Beitz distinguishes again between ‘the extent of international interaction’ and ‘the institutions that organize it’ (p. 204). Further to this, Beitz explicitly discusses a scenario in which people live under a common system of rules but the level of interdependence is uneven and some parts interact only minimally with the rest of the country. Does this mean that not everyone in this system should be bound by the same principle of distributive justice? Beitz answers in the negative. The fact that levels of interdependence between some and others is low is not relevant: they are all bound by the same principles of distributive justice because they are bound by the same institutions and rules (pp. 165–6). His theory, he says, ‘addresses itself to institutional structures rather than particular transactions’ (p. 167, fn. 75).<sup>18</sup>

This distinction is clearly relevant to the preceding discussion of how much globalisation is required before the difference principle should be applied. For the thrust of the position taken in the last paragraph is that what matters is not ‘the amount of social and economic interaction’ but the ‘existence of a nonvoluntary institutional structure’ (p. 166). As such this distinction may be of some help to Beitz. He need not get embroiled in questions as to why justice applies only after a threshold level of globalisation nor what this threshold is nor how we justify this level. Instead of arguing that there is a sufficient level of global interdependence in the sense that there is a high level of global trade, commerce, communication and so on, he might be arguing that there is a global scheme of cooperation in the sense that there is a global system of rules and institutions.

This new position, however, also suffers from two problems. First, it is not clear why principles of distributive justice should apply only to persons who belong to a common institution. On what grounds should those persons external to a system of institutions be omitted from the scope of distributive justice? Second, it has a

<sup>17</sup> In their recent excellent analysis of global business regulation, John Braithwaite and Peter Drahos make a similar distinction. They distinguish between ‘the globalization of regulation’ (there’s a global system of rules and regulations), ‘the globalization of markets’ (there are global markets in which persons throughout the world trade with each other), and ‘the globalization of firms’ (there are firms which have trade links with people throughout the world). They point out that these three kinds of globalisation are analytically distinct. See Braithwaite and Drahos, *Global Business Regulation* (Cambridge: Cambridge University Press, 2000), pp. 8–9. The key contrast for my purposes is between globalisation of regulation and globalisation of markets.

<sup>18</sup> See further pp. 148–9 and 166–7.

threshold problem of its own. For the question now is: what number of global institutions does one need before one can say that there is a global basic structure? It cannot, obviously, be sufficient that there is, for instance, a universal postal union. What if we add to it a global system specifying banking regulations? Is that sufficient? All the problems with the interdependence argument appear to resurface again.

## VI

To conclude: my aim in this article has been to challenge two key arguments that Beitz advances in *Political Theory and International Relations*. I share Beitz's commitment to an egalitarian liberal cosmopolitan order. If I am right, however, his defence of that vision in Part Three of *Political Theory and International Relations* is built upon unsafe foundations and, in particular, on questionable assumptions about the moral significance of globalisation.<sup>19</sup>

<sup>19</sup> For my own account and defence of an egalitarian conception of cosmopolitan distributive justice, see my *Justice Beyond Borders: A Global Political Theory* (Oxford: Oxford University Press, 2005), ch. 4, and 'Cosmopolitan Justice and Equalizing Opportunities', *Metaphilosophy*, 32:1/2 (2001), pp. 113–34.

