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Human Development and Global Public Goods: Why They Go- and Must Come-Together

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What are global public goods?

The poor are often said to be the unfortunate people who have to eke out an existence on one or two US dollars a day. No doubt, such an income allows not for more than a miserable life.

Yet, at the same time, one or two US dollars a day can mean quite different things in terms of depth of poverty and opportunity perhaps to escape one day from human deprivation, depending on the type of society or economy in which the personal-income-poor reside. Evidently, it may be easier to be income-poor in a community that offers affordable public transport, schooling, health services, sanitation and water, radio and television, plus clean air, law and order, a well-functioning judicial system, and maybe, even a good business climate, including a firm policy stance on "no corruption" than being equally income-poor in a place where all these public goods are not available.

Public goods are the things that are there for all to enjoy-if they are well provided. And they are the things that may harm all-if underprovided. Just think of the disastrous effects that climate change is predicted to have on the poor, via greater risks of flooding or drought. Or, think of the devastation that uncontrolled communicable diseases can have, when they strike the poor and erode the often only asset they possess: their capacity to work.

However, with greater openness of national borders and more intense cross border economic activity, the public domains of nations have become interlocked and many public goods have been globalized. They have been turned into global public goods (GPGs).

Who should be responsible for their provision, and who 'free-rides'?

As a result, these GPGs can no longer be provided in adequate measure to local populations through domestic policy actions alone. The provision of GPGs in many instances depends on international cooperation-cooperation among states, global networking among civil society organizations, and last but not least, corporate social responsibility of business actors in global markets.

But, as is well known from the national context, public goods—precisely because they are public and there for all—are often beset with serious collective-action problems. Individual actors frequently try to free-ride: They wait for others to take the first step and provide and pay for the good so that they can then enjoy the good, too—and for free.

At the national level we have the state with its unique powers of coercion in order to avoid that public goods remain seriously underprovided due to such collective-action dilemmas. Yet, in the case of GPGs matters are quite different in this respect. States at the international level can in many ways be compared to individual actors: They represent in international negotiations particular interests. And they, too, try to free-ride.

What is the link between GPGs, Aid and Human Development?

As a result, resolutions calling for poverty reduction abound. But willingness on the part of many states to devise pro-poor trade rules, a pro-poor intellectual property rights regime (so that the diseases of the poor find more adequate attention in pharmaceutical and medical research), a pro-poor international financial architecture, or a pro-poor sustainable energy regime is seriously lacking. All these items constitute GPGs: They affect all, including the poor. They are public in consumption—but benefit some (usually the stronger, more powerful actors) more than others (including the poor).

Many of these GPGs today are like a big, grabbing hand that due to under-provision or mal-provision takes from poor countries and poor people a multiple of what the smaller, often quite reluctant aid-hand gives. Therefore, successful human development depends on an adequate provision of GPGs that are critical to the poor. And therefore, too, aid and GPG financing should not be seen as rivals. Both are needed. Moreover, where aid and development are weakened, GPGs like peace and security may also suffer. Human development and an adequate provision of GPGs have to come together and go together in the sense that they are mutually reinforcing.

What are the policy implications?

Does this mean that the public-expenditure bill for global development has to increase; that more money needs to be spent? Not necessarily. Huge sums of money today already flow in combating the ill-effects of lacking human development, extreme poverty and high global inequality, and under- or mal-provided GPGs like climate stability or malaria, HIV/AIDS or tuberculosis control. Taking speedy corrective action on both the human development and the GPG front is likely to bring us a less crisis-prone world and more broad-based development; and it would generate significant savings—money that would not need to be spent on coping with micro and macro calamities and would thus be freed for more productive investments in a more secure and stable global future.

Some general sources:

1. Kaul, Inge et al. 2003. *Providing Global Public Goods; Managing Globalization*. New York: Oxford University Press
[Click here](#)
2. Inge Kaul et al. 2006. *The New Public Finance; Responding to Global Challenges*. New York: Oxford University Press.
[Click here](#)
3. The Global Network on Global Public Goods
[Click here](#)

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