Chapter 10

Elements of a Global Contract

We saw in Section 2, *Theories of Globalized Ethics*, that there is a need for institutions with transnational ethical authority. Such authority would be needed for: Preventing war; dealing with genocides; dealing with transnational legal problems; and a global economic authority would be needed to deal with problems such as fairness in transnational economic distribution, transnational competition, multinational tax avoidance, and common tax policies to deal with global warming.

Without ethical oversight, transnational authority can easily be misused. Thus the World Trade Organization prevents effective environmental regulation of transnational trade and economic action against repressive states, and there are no channels to consider changing these policies other than street demonstrations. But just creating another authority with enough power to oversee transnational institutions effectively will also create the same oversight problem. That is, who oversees the new, more powerful authority? One way around this apparent paradox is a social contract. A social contract is a way for parties to acknowledge that they need to limit their own interests in order to achieve greater cooperative benefits, and can assume that others will do so.\(^1\) Oversight may still be necessary if a social contract exists, but the bulk of compliance will rest with observance of the contract for mutual benefit. So much less oversight will be required, and the overseeing institution will need that much less power.

DOI: 10.4018/978-1-60566-922-9.ch010
THE INTERNATIONAL SOCIAL CONTRACT

Because I recognize the ethical status of nations, another social contract for relations between nations is required. I will first consider the International Social Contract and then turn to the Global Economy Social Contract.

There are acknowledged principles of international ethics, and we clearly need a second social contract to justify authority in connection with ethical principles for nation-states. My original intention was to rely on Rawls’ Law of Peoples for this contract, but as I noted in Chapter 6, *Political Realism and the Society of Societies*, there are problems which make Rawls’ international contract unworkable for my purposes. It applies only when states are nearly just. As we saw, this limitation made the contract and its principles very difficult to apply in anything like current international circumstances. For example, Rawls’ Law of Peoples would call for us not to have any dealings with China until China improved its human rights record. The problem is the relevance of injustice within a country to ethical behavior between countries.

The main subject of this book is globalized ethics and not international relations. Yet any account of globalized ethics which completely omitted the contribution of nations would be seriously incomplete. A thorough account of an International Social Contract would require at least another book. So I will use Rawls’ account of the International Social Contract as a basis for my discussion and indicate the revisions necessary to make it useful for the ethics of globalization. The Global Economy Social Contract will receive more complete treatment.

Rawls’ Law of Peoples— the social contract establishing ethical principles between societies—is decided by peoples. We will keep part of Rawls definition: A *people* is the inhabitants of a nation or a country. Rawls adds that the nation or country also has a nearly just government and acknowledges the principles of justice. But then the decision to honor human rights domestically is automatic—that’s what they do, or they wouldn’t be a *people*. And then the society of peoples is too limited in membership. Rawls did not want states (rather than peoples) to decide on ethical principles between countries because making any old rulers—perhaps dictators or despots—parties to the social contract between nations would not produce ethical results. But his restrictions make the law of peoples virtually unusable under current conditions.

So, for what I will call the *International Social Contract*, we need to stay with peoples as the parties deciding on principles. But we don’t want to incorporate into the definition of *people* the conditions that the society is nearly just and that Rawls’ principles of justice are acknowledged. This has two consequences: First, there are changes to Rawls’ principles of international ethics and the argument for those principles; and second, it becomes possible to include countries in the International Social Contract that are not nearly just.

Peter Singer’s condition of being a minimalist democracy is a better condition for participation in an International Social Contract. A minimalist democracy is one that has been ruling for a long time with the apparent acquiescence of its people, without severe restrictions on civil liberties, and without using repression to maintain its power. (Singer 2004, 101) If these conditions are satisfied, it would be ethical for us to deal with such nations, and it would be reasonable to expect them to honor agreements between nations. So such nations would be good candidates to be parties to the International Social Contract, and to abide by principles decided in the contract. Lack of domestic justice other than what is required to be a minimalist democracy can no longer disqualify a nation from participation in the International Social Contract.