#### CHAPTER NINE

# Stepping Up: Ethical Consumerism in a World of Diminished States

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We live in a world where it is increasingly difficult for states to regulate economic life effectively. Large multinationals control enormous resources, which they can move from country to country. Since their operations are essential sources of jobs and economic growth, the mobility of capital puts enormous pressure on governments to shape the regulatory environment in ways that are friendly to business interests. Shaping the regulatory environment in these ways is a serious issue, however, because a strong regulatory framework is essential for securing basic rights and directing the economy toward socially productive forms of activity.

The declining capacity of states to regulate the economy raises a question about the role of consumers in the global marketplace. Since corporations and other market actors are substantially motivated by profits, consumers are in a position to influence the course of economic life by shaping their buying decisions accordingly. Consumers could enter the marketplace and use their buying power to impose restrictions on commercial activity that mirror the restrictions that a well-functioning government might impose. For example, if consumers followed a concerted campaign not to buy products made in dangerous workplaces, this could lead most manufacturers away from these practices. This raises a question: If states are not in a position to regulate economic life effectively, do consumers have a duty to make up for the global governance deficit?

I argue that participants in the global marketplace have a collective responsibility to take on the regulatory functions of the state. All participants share in this responsibility, including consumers, investors, workers, lenders, and corporations. Consumers are entitled to expect that other market actors—including corporations—will do their part. But if other actors are not doing their part, consumers are not morally required to take up the slack for them. Consumers are only required to make a fair effort to ensure that the practice lives up to its justifying rationale. My view is conservative in the sense that it places limits on the duty of consumers to address the global governance deficit. But it is progressive in that it says that consumers have a genuine moral duty to monitor economic activity and to shape their buying decisions accordingly.

The chapter proceeds as follows. In the first three sections, I lay out the idea of a morally legitimate practice and the challenge presented by the weakened regulatory capacity of states. In the fourth section, I consider a demanding view of the role of consumers in a world of diminished states. After examining the problems associated with this view, I present my own view in the final sections, starting with the idea of a collective responsibility to take on the regulatory function of diminished states.

# Morally Legitimate Practices and Partial Compliance

A social practice is a cooperative enterprise that defines roles for participants and assigns various rights, duties, and powers to each role. When a practice attaches powers to a role, it typically does so with a conception of how these powers are supposed to be exercised. For example, a classroom is a cooperative enterprise that defines roles for teachers and students. It attaches certain forms of authority to the role of a teacher, along with a duty to exercise this authority in a way that furthers the learning process.

A morally legitimate social practice is one that has a justifying rationale that no one affected by the practice could reasonably reject.<sup>2</sup> A morally legitimate practice does things that people have reason to want, things such as improving their well-being, treating them fairly, and giving them certain forms of control over their lives. Moreover, it does these things in such a way that it would be unreasonable for anyone affected by the practice to reject it, assuming that everyone was committed to organizing the practice in a mutually acceptable way.

Social practices are often meant to work together with other social practices in a more comprehensive social order. This fact gives rise to the idea of *contextual legitimacy*. A morally legitimate social practice is contextually legitimate when its justifying rationale makes reference to the practice's relation to other social practices. For instance, the education system in the United States is meant to work together with other social practices, such as the market system and democratic government, in an overall social order that contributes to the well-being of the population, treats people fairly, and so on. The justifying rationale for the education system may refer to the particular function that education systems are supposed to play in an overall social order. So the fact that our education system serves this particular function well may be an important part of the reason why it would be unreasonable for people to reject it.

A particular social practice in society may be morally legitimate even if the wider social order in society is not. To see why, imagine that some practice P serves an important social function. Imagine that any morally legitimate social order we could reasonably hope to achieve in our society would incorporate P as one of its elements. In this case, it may be unreasonable for anyone affected by P to reject the practice wholesale, even though P is currently part of a broader social order that is not morally legitimate. For example, the legal system in the United States defines roles for courts, judges, lawyers, police officers, and so on. Even if the broader social order in this country is not morally legitimate, it may be unreasonable for people to reject the legal system. (They may reasonably reject the details, of course, such as the way that the practice treats indigent defendants, but it would be unreasonable to reject the basic system of courts, judges, lawyers, police officers, and so on.) The reason is that the legal system serves an important social function, namely maintaining the rule of law, and any morally legitimate social order for the United States would likely leave the basic features of the legal system intact (though it would surely change the content of the laws being enforced).

Morally legitimate social practices define various roles for participants. Noncompliance occurs whenever participants fail to live up to the requirements of their roles. *Structural noncompliance* occurs when noncompliance is not dispersed throughout the practice, but involves a substantial number of participants playing a particular role. This type of noncompliance is special because it affects the moral legitimacy of the practice. When the participants who play their roles do so in the context of structural noncompliance, the practice does not create the

goods that give people a reason to accept it. For example, if the teacher in the classroom stops making decisions that further the learning process, then students who continue to fulfill their responsibilities will not be generating goods, such as learning and character development, that give people a reason to accept the practice. Since structural noncompliance affects the moral legitimacy of the practice, it also affects the responsibilities of participants—if the teacher is not fulfilling his duties, it may fall on students to step up and fulfill their coordinating function

#### The Global Marketplace

The global marketplace is a social practice whose function is to create a process of commercial bargaining and exchange that moves goods and services across national boundaries in ways that improve people's lives. The practice defines various roles for participants. Among these are the roles of states, firms, and consumers.

The role of the state is to set boundaries and to internalize costs. The first task is to set the boundaries of the commercial sphere. People are allowed to exchange all sorts of goods and services in the market, but some things should be taken off the table as potential objects of commercial bargaining. Some activities should be off the table because they involve the violation of basic rights, such as the right not to be assaulted, imprisoned, or deceived. Other activities should be off the table because they involve special dangers: For example, permitting people to work under extremely harsh conditions or to perform certain kinds of sex work creates a general risk that people might be pushed into these activities simply because of their weak bargaining position. The state sets the boundaries of commerce by setting legal standards of acceptable conduct. It reinforces these standards by setting up a system of penalties that give people added incentive to respect the boundaries and give them some assurance that other market actors are respecting the boundaries as well.

The second task is equally important. The state must estimate the cost of various externalities, such as environmental pollution, climate change, and systemic financial risk, and use appropriate mechanisms to incorporate these costs into the price system. From here on, I will refer to the boundary setting and cost internalization functions together as the "regulatory" functions of the state (though they clearly involve much more than regulation).

The role of firms in the global marketplace is primarily to make profits by producing goods and services that satisfy consumer desires at the lowest possible cost. All market actors, including firms, have a moral duty to respect the basic rights of others and not to impose unreasonable costs on third parties. The reason that firms can be profit-oriented in a well-functioning market is that they have a right to rely on the state to set boundaries and internalize costs. When states set the boundaries for commerce and internalize the various social costs of economic activity, it frees firms up so that they can focus their attention on contributing to the common good through commercial innovation.

The role of consumers is to use their buying power to acquire goods and services in the market on the basis of considerations such as price and quality. Like firms, consumers also have a moral duty not to violate the basic rights of others or to encourage violations through their commercial transactions. But in a well-functioning market, they also have a right to rely on the state to perform basic investigation, standard setting, and cost incorporation tasks, leaving consumers free to make buying decisions based on price/quality considerations.

#### The Moral Legitimacy of the Global Marketplace

The global marketplace is part of a more comprehensive global social order.<sup>3</sup> This more comprehensive global order includes many other social practices, such as electoral systems, legislative institutions, scientific inquiry, higher education, armies, and so on. Importantly, the wider global social order as it stands today is not morally legitimate. Some people affected by this order have reasonable grounds for rejecting it. For example, the global social order lacks the necessary institutions to prepare workers and firms in developing countries to compete on a fair footing in global commerce, and this leads to enormous patterns of exploitation. The global social order also lacks the redistributive mechanisms necessary to ensure that everyone in the world will benefit from the prosperity that the market generates.

The fact that the global social order is morally illegitimate does not mean, however, that the global market, as one element of that order, is also morally illegitimate. In fact, the basic pattern of interaction between consumers, firms, and states has a justifying rationale that no one affected by it could reasonably reject. The market performs the enormous task of allocating resources around the world in a way that contributes to the material prosperity of individuals and is also sensitive

to their desires.<sup>4</sup> No other plausible method of social coordination would do as well in terms of making use of information and social knowledge to satisfy material desires.<sup>5</sup> The practice also gives people certain important forms of control over their lives,<sup>6</sup> and facilitates and encourages the development of their talents, abilities, and moral powers.<sup>7</sup> These features give everyone a reason to accept the practice. Of course, many people do not benefit from the global market as its stands. But even these individuals have a reason to accept the practice insofar as any morally legitimate global social order that we could reasonably hope to achieve would build on the existing market practice, supplementing it with background institutions that would enable everyone to enjoy its benefits.

The global marketplace is a morally legitimate practice, but it is characterized by structural noncompliance. States are not fulfilling their regulatory function. In terms of boundary setting, even when standards are appropriately established for, say, safe workplaces, they are often not backed by an adequate enforcement mechanism. In terms of internalizing costs, there are huge gaps, particularly with respect to the costs associated with global climate change and damage to the environment more generally. It follows that when firms make decisions based on profit considerations and consumers make decisions based on price/quality considerations, the practice is not performing its social function in a way that gives everyone affected by the practice a reason to accept it.

Structural noncompliance leads to fundamental changes in the responsibilities of market actors. The question is, what are these changes? What are the duties of consumers in the global marketplace given the fact that states are not playing their role?

#### The "Understudy" View

One view of the role of consumers is that consumers should fill the gap left by diminished states. If states are not performing the regulatory functions attached to their role in the global marketplace, then the role of the consumer is to take on the functions that are not being fulfilled. On this view, consumers must, for example, work out appropriate boundaries for commercial activity. They must then use their buying power in the market to give firms and other market actors an economic incentive to respect these boundaries. For example, consumers may be morally required to formulate standards for a safe workplace.

They would then be required to refuse to buy goods that are produced in factories that violate these standards, thereby giving companies an economic incentive to respect these standards.

Call the preceding view of the role of consumers the *understudy view*. The idea is that if states have a certain role to play, then consumers are like the understudy, ready to step in and play the role whenever the primary player is unable to do so. More specifically, if the government's regulatory function has several components, A through E, and governments are not performing functions B and C, then consumers have a duty to step in and perform B and C.

One basic problem with the understudy view is that it is unfair to consumers. The understudy view places the full burden of filling the governance gap left by diminished states on consumers. But in fact there are many participants in the global market who are in a position to influence market activity. Consider, for example, that investors can formulate standards for a safe workplace, and then take these standards into account in their investment decisions. This would raise the price of capital for companies that violate these standards. Lenders, suppliers, and even workers could take similar measures affecting the cost of debt, supplies, and labor. It is unfair to place the whole burden of regulating economic life on consumers, when other participants are also in a position to shoulder some of the burden.

The basic point extends to corporations themselves. If states are not able to perform their proper function, it is within the power of corporations to structure their conduct in appropriate ways as well. For example, a corporation could formulate its own standards for a safe workplace, and then organize its factories consistently with these standards. It could also refuse to buy products from firms that do not comply with these standards. Even if the understudy view were understood to place a responsibility on investors, lenders, suppliers, and workers, as well as consumers, it would still be unfair insofar as it lets corporations themselves off the hook. It would essentially allow corporations to remain substantially profit-oriented, while relying on other market actors to set boundaries and internalize costs. This division of responsibilities is unfair because it does not ask enough of corporations themselves.

#### Natural Duty of Preservation

How then should we think about the role of consumers in a global market characterized by diminished states?

A more compelling approach begins with what I will call the natural duty to comply with morally legitimate practices. This duty says that we are morally required to comply with and to do our share in morally legitimate practices whenever these exist and apply to us. The rationale behind this duty leads to a further duty, which I will call the *duty of preservation*. The duty of preservation may be stated as follows:

In the context of involuntary structural noncompliance, participants in a morally legitimate practice have a duty to divide the functions of the noncomplying participants fairly among themselves until such time as the noncomplying party can take these functions up again.

If, for example, a particular classroom is a morally legitimate practice, and the teacher has a heart attack, the natural duty of preservation says that the students have a duty to divide the functions of the teacher among themselves until such time as the teacher recovers or a replacement can be found.

The central idea behind the natural duty of preservation is that a new division of responsibilities is required when an external shock temporarily prevents some participants from fulfilling their roles. This division of responsibilities is not meant to be a new ideal or a new practice that should be maintained for its own sake; it is a temporary departure from the normal requirements of the practice in order to deal with the circumstances. The duty is a duty of "preservation" in the sense that it is aimed at preserving the moral legitimacy of the cooperative enterprise. By requiring participants to take on exceptional responsibilities from time to time, the duty serves to maintain those features of the enterprise that are central to its justifying rationale. We might compare the duty of preservation to the duty of a spouse to preserve a marriage: this is not a duty to preserve every aspect of an existing relationship, including any aspects that may be abusive, but rather a duty to preserve those aspects of the relationship that are central to its distinctive value.

What is the rationale for the duty of preservation? Morally legitimate social practices on a global scale are extremely difficult to establish. They involve millions and millions of people, spread out over different societies, cultures, and continents, and they are typically the product of many generations of social evolution, effort, and conflict. But these practices contribute to people's lives in fundamental ways, such as fostering geopolitical stability, contributing to the satisfaction of basic needs, and fostering the development of talents and abilities. We

all have good reason to want people not only to comply with morally legitimate practices, but also to take steps to preserve the features that make these practices morally legitimate when the practice as a whole is under stress.

The natural duty of preservation answers to these considerations. It says that participants in a morally legitimate social practice have a duty not to abandon the practice if there is involuntary structural noncompliance. In recognition of the goods secured by the practice and the difficulty of establishing it in the first place, the natural duty says that participants should divide the responsibilities of the noncomplying party in order to maintain the features of the enterprise that are essential to its moral legitimacy. (This assumes, of course, that the noncomplying party can recover or be replaced in due time.) The duty serves to make the moral legitimacy of legitimate global practices more robust and thereby to protect the lives that depend on the contributions that these practices make.

An important feature of the natural duty of preservation is that it applies mainly to involuntary structural noncompliance. <sup>10</sup> Structural noncompliance is *involuntary* when external factors prevent a substantial number of participants from playing their role in the practice. It is *voluntary* when substantial numbers are simply unwilling to play their parts. In the classroom example, structural noncompliance would be involuntary if the teacher has a heart attack, but voluntary if he simply decides that he will no longer play his part.

I have already explained the basic rationale for the duty of preservation, and it should be clear why the duty applies to involuntary structural noncompliance. The question is, why does the duty not extend to voluntary noncompliance as well? The reason is that extending the duty this way would give participants the wrong kind of control over the requirements of the practice. Suppose that the teacher in the classroom example just decides that he does not want to fulfill his coordinating function. If the natural duty of preservation required that students step up in exactly the same way under these circumstances that they would in the case of a heart attack, the teacher would effectively have the power to shift his responsibilities to students merely because he wants to pursue other interests. This would make the duty of preservation objectionable for several reasons: it would allow merely unwilling participants to undermine the valuable division of labor that the practice originally established; it would give each participant an objectionable degree of control over the duties of other participants; and it would create a free-rider problem since each participant in the practice would

have an incentive to gain the benefits of the institution while shifting the burden of his responsibilities to other participants. For all of these reasons, the duty of preservation does not apply to voluntary structural noncompliance.

### Duty of Preservation in the Global Market

What does the natural duty of preservation say about involuntary structural noncompliance in the global market? The duty of preservation says that all participants in the global market share in the duty to fill the governance gap left by ineffective states. If the state's regulatory role consists of several functions, A through E, and states cannot fulfill B and C, then it is the responsibility of participants in the global market to fairly divide B and C among themselves. Participants in this case include all market actors—corporations, investors, workers, and lenders, as well as consumers.

An account of the responsibilities of consumers based on the duty of preservation has several attractive features. First, the account is sensitive to the fact that all participants are in a position to do something. The understudy view is objectionable in part because it places the entire burden of making up for the global governance deficit on consumers. The natural duty of preservation says that all participants have to take on a fair share of the burden when there is involuntary structural noncompliance.

Second, the account does not let corporations off the hook. Corporations cannot focus exclusively on pursuing profits, relying on other market actors to set boundaries and internalize costs. Like other market actors, corporations in a world of diminished states have a duty to take on part of the burden of preserving the features that are central to the moral legitimacy of the global market. Fulfilling this duty might involve various measures. With respect to boundary setting, for example, corporations may be required: to enter into the complex intellectual effort to formulate standards for, say, a safe workplace; to adopt internal penalties for branches or subsidiaries that fail to respect these standards; to refuse to buy goods and services from firms that fail to respect these standards; to engage in data collection and compliance monitoring; and so on. With respect to cost internalization, "triple bottom line" accounting, which incorporates social and environmental costs and benefits alongside standard economic ones, would help corporations to structure their activities in ways that are sensitive to the true social value of their output.<sup>11</sup>

Third, the account does not go too far. It is tempting to look at the emergence of political consumerism, political investing, and other related practices as the emergence of a new, decentralized model of global governance, one in which states play less of a role in regulating economic activity. But there are very real arguments for having strong states that hold the primary responsibility for regulating market actors and maintaining appropriate background institutions. Even sophisticated market actors are not in a position to assume some of the central responsibilities of states, such as incorporating the complex externalities of environmental degradation into the price system. Moreover, a global marketplace in which market actors perform certain governmental functions, with no oversight by elected officials, would not be a morally legitimate practice: people would have very real grounds for objecting to a regime that puts power in the hands of private actors without significant democratic oversight. A more appropriate way of thinking about practices such as political consumerism is that they are specific responses to the weakness of states. These practices are not part of a new institutional order, but are a temporary measure that people should rely on less and less when states are able to take up their appropriate role in the global marketplace once more. 12

Implicit in the account that I am presenting is the view that the structural noncompliance of states in the global marketplace is substantially involuntary. Of course, there is no denying that governments around the world are not as willing to perform the regulatory functions of the state as they could be. The political classes that elect these governments may also lack a certain degree of political will. But at the same time, there are important structural features of the world economy today that make it more difficult for any state—even one where the government is more willing—to perform its regulatory function. Multinational corporations control enormous resources, which they can move around the world in search of the best profit-making opportunities. This mobility allows them to avoid regulations by moving their operations to different jurisdictions. More importantly, the mobility of capital creates a "race to the bottom," where governments are under pressure to formulate policies that are friendly to business interests or else face the prospect of unemployment and economic disruption as corporations move their operations elsewhere. All of these factors limit the ability of states to perform their regulatory function, even if governments and political classes are willing. Essentially, the global market is like a classroom in which the teacher, who was always somewhat unwilling, has now suffered a heart attack. The duty of preservation says that students

must take on the teacher's coordinating role in this case because the heart attack threatens the moral legitimacy of the practice, and there is no danger that taking on the teacher's role in this kind of case will create a free-rider problem or any of the other issues discussed in this chapter.

# Voluntary Noncompliance with the Duty of Preservation

One more element is necessary in order to formulate an account of the responsibilities of consumers in a world of diminished states. The duty of preservation says that participants in the global marketplace have a collective duty to divide the regulatory functions of the state fairly among themselves and to perform these functions until the state can play its role again. But an important feature of the world as it stands is that most participants in the global marketplace are not taking on these functions. In particular, the vast majority of multinational corporations do not articulate boundaries for market activity and do not take measures designed to internalize social costs. So in order to complete my account of the duties of consumers in the current circumstances, I need to say something about what consumers are required to do, given that corporations and other actors are not living up to the natural duty of preservation.

Here I argue that consumers are only required to take on a fair share of the governance functions of diminished states. If corporations, investors, workers, and lenders are not also accepting their fair share of the governance burden, consumers are not required to take up the slack for them. My position resembles that of Liam Murphy in that I hold that consumers are not required to contribute more to preserving the morally legitimate character of the practice than they would be required to contribute if the other participants were each doing their part in discharging this collective responsibility.<sup>13</sup> It would be unfair to require consumers to do more simply because other participants are doing less.<sup>14</sup>

This does not mean that noncompliance by other parties is morally irrelevant. Consumers have a duty to call attention to the failure of other market actors to live up to the duty of preservation. They should try to shame them into doing the right thing. Consumers may also be required to facilitate compliance by other parties, encourage it, or even to put pressure on them to comply. These are all requirements that are

aimed at getting other market actors to do what is required by the duty. But these requirements do not constitute a responsibility to make up for the failure of other parties to live up to the duty of preservation.

Summing up: In a world of diminished states, consumers are required to use their intellectual resources and buying power to perform the boundary-setting and cost-internalizing functions of the state; and consumers are required to do this up to the point where the governance burden they take on represents a fair share of the total burden if other market participants—including corporations, investors, workers, and lenders—were also doing their part.

I will say more about the shape of the new consumerism in the next section, but I want to emphasize that my view places substantial demands on consumers. Life for consumers would be quite different today if they were doing their fair share to fill the global governance gap. Consumers would have to take on complex standard-setting tasks for various labor and environmental issues, investigating the problems, formulating appropriate standards, monitoring compliance, and making buying decisions with these standards in mind. Since most consumers pay little attention to these issues, I take it that most consumers are not doing their fair share. They are, in this regard, in much the same position as corporations, investors, workers, and lenders. Consumers would display genuine leadership by simply stepping up to take on their fair share of the total governance burden.

On the other hand, my point in this section has been to draw a line between consumers taking on their fair share and consumers taking on the *entire* governance burden. The demands involved in taking on the entire burden would be enormous. Whenever governments are unable to perform, it would fall entirely on consumers to ensure that global commerce unfolds within proper boundaries and that social costs are incorporated into the price system. Given the extent of the shortfall and the complexity of global commerce, consumers would have to spend a substantial part of every day on these issues. It would be unfair to place such a heavy burden on consumers when other market actors are in exactly the same position as consumers to contribute to the effort.

It is true, in the end, that other market actors may obstinately refuse to take on their fair share of the total governance burden. But the mere fact that they refuse does not mean that consumers are required to pick up the slack. Morality does not always require that we insulate the world from the consequences of other people's immoral conduct. If other market actors do not do their fair share, then the global marketplace will lose its moral legitimacy in the interim, and the

best that we can hope for is that the state will regain its regulatory capacity soon.

#### The New Consumerism

What would consumerism in a world of diminished states look like if it were carried out consistently with my account?

Certification and labeling. One prominent feature would be the widespread use of certification and labeling schemes to help consumers perform some of the regulatory functions of diminished states. These schemes typically involve a civil society group (or consortium of groups) that establishes standards for certification connected with some moral, social, or environmental concern, and then evaluates products and services to see whether they meet these standards. Once a product is certified and the certification is made public, consumers can use the certification to apply the right kinds of pressure on economic actors. Certification schemes have been used to advance a wide range of objectives, including: identifying fair trade in coffee production; promoting ecologically sustainable agriculture; reducing political violence fueled by the diamond trade; slowing deforestation; addressing biodiversity concerns surrounding the rainforest; and promoting ecologically sound methods of electricity production.

**Involving all market actors**. Another important feature of the new consumerism would be an emphasis on the responsibilities of all market actors. There is a danger in pursuing certification strategies that consumers reinforce the view that corporations can remain purely profit-oriented, and that it is up to consumers and other market actors to set boundaries and internalize costs. Consumerism in a world of diminished states must seek to direct economic activity without encouraging the view that corporations can remain purely profit-oriented.

Andreas Føllesdaal offers a helpful model of how consumers might influence economic activity without suggesting that corporations have no special responsibilities in a world of diminished states. Consumers may structure their buying practices so as to create and sustain a market for products that meet adequate standards, while leaving it to corporations to formulate these standards and demonstrate that they are living up to them.

Consumer pressure may counteract coordination problems by creating a market for companies that can credibly claim to honor good

standards in areas such as child labor, sustainable forest harvesting, or animal rights. If consumers succeed, they create a demand among companies for sufficiently clear rules. One response by some firms is to develop or subscribe to voluntary, industry-wide standards such as Social Accountability 8000, the principles of the Caux Round Table, the UN's Global Compact, or the work of Amnesty International's Business Group. While voluntary standards may not always be enough, political consumerism can add pressure for compliance, supervision, and global regulation—sometimes even enticing companies to lobby host governments into establishing, monitoring, and sanctioning industry-wide standards to block less scrupulous competitors and avoid consumer actions. <sup>15</sup>

**Defined burdens**. A more controversial feature of the new consumerism is the limits that it places on the responsibility of consumers. We live in a world where other market actors are not actually taking on their fair share of the total governance burden. But in my view, consumers are not required to do more simply because other market actors are choosing to do less. Consumers are therefore only required to make an effort that would be equivalent to the effort that they would have to make in a world where corporations, investors, workers, and lenders were carrying their fair share of the total governance burden.

Though my view puts limits on what consumers are required to do, it still involves a substantial change from the status quo. The vast majority of consumers today make choices based on price and quality, as if the state were fully discharging its regulatory functions in the background. This represents a serious failure to live up to the duty of preservation. To carry their fair share of the total governance burden, ordinary consumers must keep up with a variety of certification schemes, covering the most important boundary-setting and cost-internalizing issues relating to commercial life. Consumers must also pressure and shame other market actors into carrying their fair share of the total governance burden. Consumer groups must direct the efforts of consumers by formulating appropriate standards, certifying products, and monitoring compliance. Activists and ordinary consumers also have a duty to act as first movers, creating markets for appropriately regulated goods where these markets do not yet exist. For example, activists and consumers may take the initiative in designing certification standards for wood and paper products that are produced through ecologically sound methods. If a small number of committed consumers are committed to buying certified wood and paper products, the certification

may eventually catch on with other consumers (as well as investors and corporations), and eventually reshape an industry.<sup>16</sup>

**Differences among consumers**. My approach up to this point has focused on the main functionally differentiated groups in the global marketplace, such as consumers, investors, and corporations. But there are important differences among those who play any one of these roles.<sup>17</sup> Most importantly, consumers in the developed world are in a much better position to take on the regulatory burden created by diminished states than consumers in the developing world: consumers in the developed world have more information, disposable income, and influence in the market. The duty of preservation would require that market actors take these factors into account in dividing the functions of the state among themselves. A more fully developed conception of the new consumerism would formulate a more fine-grained account of the specific responsibilities that fall on different groups of consumers.

**Relation to political duties**. It is essential to situate the new consumerism in the context of the other duties that we have in a world of diminished states. The natural duty of preservation describes a kind of temporary intervention that participants must undertake in order to preserve the features of a large-scale social practice that makes it morally legitimate. It is a kind of "life support" system for the practice. But while the practice is on life support, we are also required to take steps to help it recover. If the state cannot perform its regulatory function, then we have an obligation to help restore this capacity.

Many of the duties that we have to repair an institution fall under the duties of citizenship. 18 Citizens in the United States have a duty to pressure their government to take the steps necessary for states to recover their ability to regulate market activity. We cannot return to the global governance system of the twentieth century, and in any event, a simple system of national states could not adequately fulfill the regulatory function in a global economy. The way forward is not to rely on ethical consumerism and related practices, but to build structures that enhance the ability of states to regulate corporations or to create multilateral bodies that can do so. The European Union is a model for this kind of reform. On the one hand, the European Union supports national governments, supporting them in their effort to regulate corporations domestically. And on the other hand, the European Union creates multilateral arrangements that can take over certain regulatory functions. The duty of citizenship requires citizens to contribute to building structures such as the European Union that can help states to perform the function of making explicit, transparent rules and enforcing them. What the natural duty of preservation tries to make clear is that the role of an enlightened consumerism is to take up the slack until these new mechanisms emerge.

#### Conclusion

No doubt, some will object to my view because it lets consumers off the hook to some extent. Although my view does let consumers off somewhat, it also places them under a clear *moral duty*. It says that a global marketplace in which they make price/quality buying decisions is not morally legitimate unless there is a state in the background fulfilling its regulatory functions. And if the state is not fulfilling this function, morality requires that consumers do their fair share in making up for this regulatory deficit. In addition, the fact that consumers have a somewhat limited duty to take on the regulatory deficit is, on my account, simply the flip side of one of its attractive features—namely that it does not lose sight of the fact that *other* market actors also have a genuine burden to bear in non-ideal circumstances. My account may lessen the load on consumers, but it does so only because it places a heavier burden on other actors—investors, lenders, and workers—who are often left out of the picture.

### Notes

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- 1. My view on this point has been influenced by Andreas Føllesdaal, "Political Consumerism as Chance and Challenge" in *Politics, Products, and Markets: Exploring Political Consumerism Past and Present*, ed. Michele Micheletti, Andreas Føllesdaal, and Deitland Stolle (New Brunswick: Transaction Publishers, 2004).
- 2. T. M. Scanlon, "The Significance of Choice," in *The Tanner Lectures on Human Values*, vol. 8, ed. Sterling McMurrin (Salt Lake City: University of Utah Press, 1988); Scanlon, "Due Process" in *The Difficulty of Tolerance* (Cambridge: Cambridge University Press, 2003); see also John Rawls, *A Theory of Justice*, rev. ed. (Harvard: Harvard University Press, 1999).
- 3. Thanks to Andrea Sangiovanni for pressing me to clarify several points related to the institutions of global capitalism.

- 4. Adam Smith, The Wealth of Nations (New York: Everyman's Library, 1991).
- See Friedrich Hayek, The Constitution of Liberty (Chicago: University of Chicago Press, 1978), and Allen Buchanan, Ethics, Efficiency, and the Market (Totowa, NJ: Rowman & Allanheld, 1985).
- 6. Amartya Sen, Development as Freedom (New York: Alfred A. Knopf, 1999).
- 7. Smith, The Wealth of Nations; G.W.F. Hegel, Elements of the Philosophy of Right, ed. Allen Wood (Cambridge: Cambridge University Press, 1991); Rawls, A Theory of Justice.
- 8. See Føllesdaal, "Political Consumerism as Chance and Challenge."
- 9. This is essentially a version of Rawls's natural duty of justice, which says in part that we are morally required "to comply with and to do our share in just institutions when they exist and apply to us" (Rawls, *A Theory of Justice*, 293–294).
- 10. This follows a distinction that Rawls makes in his approach to nonideal theory. See A Theory of Justice, 215. See also A. John Simmons, "Ideal and Nonideal Theory," Philosophy and Public Affairs 38, no. 1 (2010). Thanks to Mattias Risse and Simon Caney for pressing me to clarify this feature of my view.
- 11. For an introduction to triple bottom line accounting, see Andrew W. Savitz and Karl Weber, *The Triple Bottom Line* (San Francisco: John Wiley & Sons, 2006).
- 12. The level of political consumerism in the world should ebb and flow, depending on the capacity of states to fulfill their regulatory functions. If states will always fall short in some way, then a certain level of political consumerism may be a permanent part of the economic landscape. My view is that the first best option is for states to develop better capacities and to perform these functions themselves.
- 13. See Liam Murphy, *Moral Demands in Nonideal Theory* (Oxford: Oxford University Press, 2000).
- 14. The issues here are similar to those raised by the possibility of extending the duty of preservation to voluntary structural noncompliance.
- 15. Føllesdaal, "Political Consumerism as Chance and Challenge," 14.
- 16. The Forest Stewardship Council is an interesting example. The website for the US chapter is www.fscus.org.
- 17. Thanks to Gillian Brock for emphasizing this point.
- 18. Thanks to Doug Hicks and Thad Williamson for emphasizing this point.