

Global Public Goods and Sustainable Development

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Abstract. Global problems which are among the most serious issues of our era have become a threat in terms of the existence of the world and human beings. The main concept we encounter in connection with aforesaid problems is sustainable development. The concept of sustainability focuses on that human beings have the right to live in harmony with nature and the necessity not to ignore developmental and environmental needs of future generations while meeting the needs of present generations. Nowadays it is seen that the concept of sustainable development is handled with various concepts. One of the most important of these concepts is global public goods. Especially in recent years it seems that global public goods are the whole of concepts which are suggested to define especially the activities concerning the environment. Our study primarily focuses on an analysis of sustainable development processes and the progress made. Then, while trying to question the improvements in global public goods, it is discussed to what extent the methods used in financing global public goods are realistic or effective.

Keywords: globalization, sustainability, development, environment, tax

Introduction

Globalization is defined as an expression of increasing processes of interrelated dependence and integration between communities. However, when the dangers of globalization are considered, it is so obvious that such a broad definition is insufficient. Because when various problems encountered worldwide are taken into consideration, it is seen that these are discussed under the title of “global problems” (Steger, 2003).

While affecting the entire world, global problems have diversified significantly today. **(i)** *Global problems based on Demography and Settling:* Immigration, increase in population¹, fugitive and compulsory migration practices, and problems resulted from urbanization phenomenon **(ii)** *Global economical*

problems: Problems resulted from the inadequacy of development aids towards under developed and developing countries, global income inequality problems, problems caused by cross border financial flows in world economies, destructions (working conditions, employee personal rights, income levels, etc.) in business and employment life caused by economical globalization. The problems caused by the increase in the world trade or cross border goods and service flows made countries become more dependent² on each other, along with their effect especially on resource allocation, income distribution and social welfare issues

(iii) Global environment problems: Problems resulted from the decrease in biological diversity, extinction of species and problems which destroy the functioning of global biological systems threatening the continuity of human life. Deforestation activities, global warming resulted from the use of energy sources particularly fossil fuel, pollution of the air and lands, deterioration of fresh water sources, change in climate, environmental pollution

(iv) Global problems about education, health and social welfare: Problems concerning literacy and access to education, AIDS, hunger and food safety, and women's rights

(v) Politics and management oriented global problems: Problems caused by human rights violations, inadequacy of international law and especially international criminal law, and war crimes

(vi) Global problems resulted from safety: The lack of gun control, drug trafficking, ethnic and regional conflicts, genocide, human trafficking, terrorism, and inadequacy of institutions like the United Nations which are created at the point of reaching global peace (Gajewski, 2010; Verma, Das & Abraham, 2013).

Considering in general terms, global problems as being one of the most serious issues of our time have become a threat for the existence of the world and mankind. Exponential growth of these problems mentioned has forced countries and political institutions to take action in relation to the legitimacy of the issue. This situation has brought along global principles, ideals, ethics and international cooperation in the name of creating a collective consciousness. Because these problems are global. Environment and other valuable things required a global analysis under serious threat of globalization. However,

aforesaid struggles require an effective fight against international bourgeoisie (Gleeson & Lows, 2001).

With high determination based on international co-operation and political will, governments proved that global warming which is one of the most important global problems is a fact. They have focused on the need to address urgently “global warming” problem which causes increase in the average temperature of the earth's atmosphere and oceans because of a greenhouse effect of harmful gases released into the atmosphere. Besides, the effect of greenhouse gas emissions on infectious diseases and their contribution to mortality rates over the last decade are shown clearly. There was a common concern about the fact that illnesses like AIDS/HIV and SARS pose a threat to human life. In addition to these, some risks like natural disasters were considered as one of the fundamental problems among global threats which require collective action. Considering this and many similar problems, international cooperative and preventive diplomacy has become an important issue. Consequently, based on the fact that global problems can be solved by global struggle³ the countries turned towards cooperation (Zhang & Swartz, 2009).

Global Cooperation and Sustainable Development

Local, national and regional struggles are important in terms of solving global problems which have become a threat to the world. Besides, the necessity of activities towards multilateral international cooperation is essential. It is possible to sort inter-governmental efforts within this scope in the following way: **(i)** 1972 United Nations Conference on the Human Environment (in Stockholm) was the first world conference to address what became the SD agenda **(ii)** World conservation strategic notes carried out within the context of *International Union for Conservation of Nature and Natural Resources* (IUCN) **(iii)** It is "Our Common Future" report also known as the "Brundtland Report" prepared in 1987 by the United Nations World Commission on Environment and Development⁴. For the first time “Sustainable Development” statement was identified officially in this report prepared by Gro Harlem Brundtland. **(iv)** The World Bank Notes, that a ‘quiet revolution has been under way during the first half of the 1990s, as

environmental sustainability has become a theme of policy making around the world and suggested that Rio captured ‘the growing consensus and dramatically accelerating the momentum for change’ (v) The United Nations Conference on Environment and Development (*Rio Earth Summit in 1992*) (Bebbington, 2007; Brandon & Lombardi, 2011).

Held in 1992 in Rio de Janeiro, Conference on Environment and Development is the most important global meeting on sustainable development⁵. The purpose is to protect, strengthen and manage *natural sources* in a way reinforcing social and economical development. As a result of Rio Conference; Contracts were drawn up on *Climate Change, Biological Diversity, Desertification and forestry Management*. In addition, Agenda 21 Global Plan of Action which identifies international cooperation and strategies was accepted. Agenda 21 contains four main elements fundamentally in its body. According to it the focus is on (i) social and economical dimension (ii) managing and protecting resources (iii) empowering the role of groups (iv) functioning of practice mechanism. The basic mentality of Rio Declaration coming as a result of this meeting is the idea that situated in the centre of sustainable development people have the right to live a healthy and productive life in harmony with nature. Besides, there was a focus towards not ignoring developmental and environmental needs of future generations and achieving sustainable development can be achieved only by handling environmental protection and developmental actions together while meeting the needs of present generations (Markandya et al. 2001).

Another important attempt in terms of realizing sustainable development environmentally is UN “Millennium Declaration”. The mentioned declaration is the name of a meeting which was held in New York in September 2000 and as a result of this meeting developmental goals were emerged. While the goals mentioned are being presented under eight headings, it is aimed to realize them by 2015. Millennium Development Goals:

- 1: Eradicate Extreme Poverty and Hunger,
- 2: Achieve Universal Primary Education,
- 3: Promote Gender Equality and Empower Women,
- 4: Reduce Child Mortality

- 5: Improve Maternal Health
- 6: Combat HIV/AIDS, Malaria and Other Diseases
- 7: Ensure Environmental Sustainability
- 8: Develop a Global Partnership for Development

It is not random to focus on actions towards eradicating extreme poverty and hunger in the first place. Because behind the globalizing world economy, there is the plain truth of struggle between developed “Northern Countries” and under developed “Southern Countries”. And while in the developing world 1 billion people are striving to live on less money than 1 dollar a day, nearly 3 billion people are striving to live on less money than 2 dollars a day (Gajewski, 2010). Consequently, for a more livable world there is a need for an increase in international cooperation. For this purpose, countries held “World Sustainable Development Summit” in 2002 in order for both following the decisions made in 1992 Rio Conference and providing harmony between existing efforts and *Millennium Development Goals* (Brebba, & Beriatos, 2011).

Ten years after the Rio Earth Summit the United Nations held a World Summit on Sustainable Development in Johannesburg (Rio +10). This led to a further reaffirmation of the role of SD by “the representatives of the peoples of the world... We commit ourselves to building a human, equitable and caring global society, cognizant of the need for human dignity for all... children of the world... challenged all of us to ensure that through our actions they will inherit a world free of the indignity and indecency occasioned by poverty, environmental degradation and patterns of social development and environmental protection – at the local, national, regional and global levels” (Bebbington, 2007).

Rio +20 Conference was held on 20th-22nd June 2012 in Rio De Janeiro city at the 20th Anniversary of the 1992 United Nations (UN) Conference on Environment and Development (UNCED) held again in Brazilian city Rio De Janeiro; and at the 10th anniversary of World Summit on Sustainable Development (WSSD) held in Johannesburg in 2002 and organized by the United Nations. The main goals of the conference were listed like this: (i) reemphasizing

the political determination on sustainable development (ii) evaluating basic summits carried out so far and displaying their deficiencies (iii) describing the global implications of new and emerging threats and opportunities. In the final declaration within the goals of sustainable development and eradication of poverty; it was decided that adopting realistic and applicable suggestions for public and private sector concerning transition to green economy in member countries, making necessary arrangements, and accelerating the activities and efforts within this context are necessary (United Nations, 2012).

After explaining the historical progress of sustainable development it is necessary to mention briefly what this concept means. The word sustainable has roots in Latin, meaning "to hold up" or "to support from below". A community must be supported from below, by its inhabitants –present and future. Certain places, through the peculiar combination of physical, cultural, and, perhaps, spiritual characteristics, inspire people to care for their community. These are the places where sustainability has the best chance of taking hold (Monto, Ganesh & Varghese, 2005). In other words, the concept of sustainability means realization of productivity continuity for multiple generations and thus protecting potential of exists in perpetuity concerning benefits or advantages (Banks, 2005).

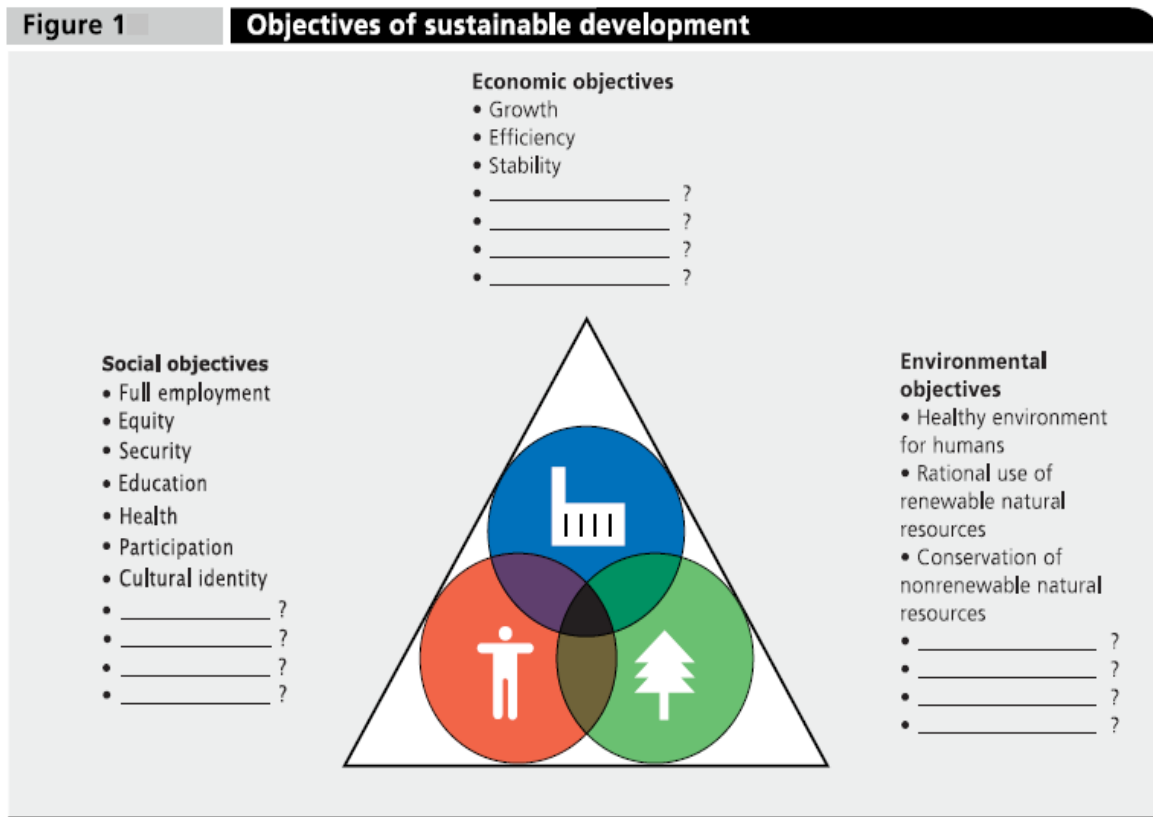
Based on these definitions sustainable development means: According to the classical definition given by the United Nations World Commission on Environment and Development in 1987, development is sustainable if it “meets the needs of the present without compromising the ability of future generations to meet their own needs (Soubbotina, 2004).

Some definitions of sustainable development chosen about this topic are listed like this:

(i) T. Bajerowski (1998) A process (not a state), whose steering is based on minimizing losses and maximizing benefits (optimization process) (ii) M.K. Byrski (1996) A model of durability, which would ensure a decent existence to all residents of the globe and prevent self destruction of human civilization. The goal

of such development is self-development of the individual and not civilizational development in itself (iii) H.C. von Carlowitz (1713) probably the earliest use of the term sustainable development in history. The author referred to forestry. This was intended to be a method of forest management, in which only such a number of trees is cut down, as will be replaced by growing ones, in order to preserve the forest as a whole (iv) Z. Hull (1993) A process, in which the reshaping of the world would not collide with decent conditions of existence and development of non-human life forms, and which would concentrate on developing and satisfying higher (spiritual) human needs (v) D. Livermann, M.E. Hanson, B.J. Brown, R.W. Merideth Jr. (1988) Mankind's unlimited existence (with a quality of life above mere biological survival) by maintaining (conservation) fundamental life-supporting systems (air, water, soil, biosphere), the existence of infrastructure and institutions, which distribute and preserve the components of this system (vi) D. Pearce, E. Barbier, A. Markandya (1990) Realization of a specific group of desirable goals, namely: increasing real income per capita, improving health status and food availability, equal access to natural resources and improving the level of education (Pawłowski, 2011).

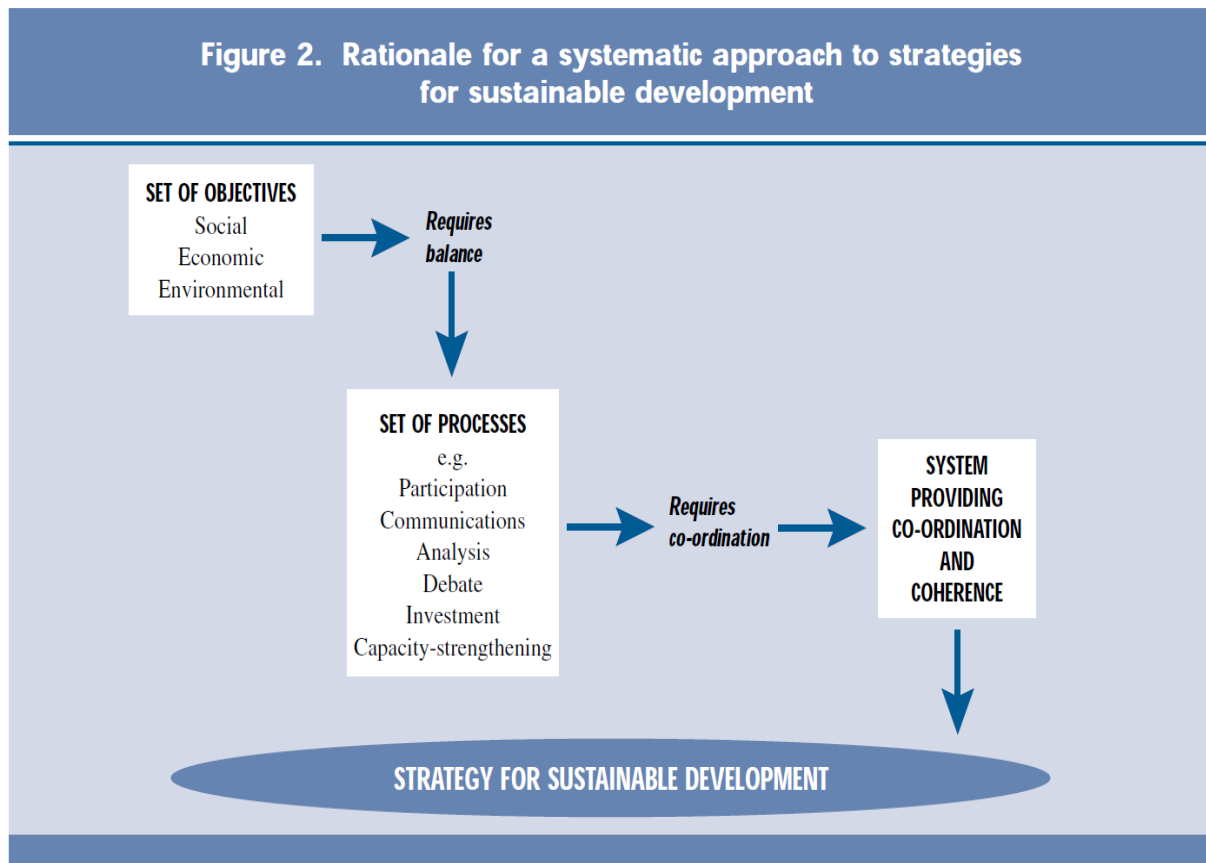
The challenge is further complicated by the fact that in today's interdependent world many aspects of sustainable development are in fact international or even global. On the one hand, many decisions taken at the national or even local level actually have international consequences –economic, social, environmental. When these consequences are negative, the situation is sometimes referred to as “exporting unsustainability.” So, as it can be seen at Figure 1, it should balance the interests of different groups of people, within the same generation and among generations, and do so simultaneously in three major interrelated areas—economic, social, and environmental (Soubbotina, 2004). Also it is possible to diversify the goals expressed with question marks.



Source: (Soubbotina, 2004)

Simply the concept of sustainability defines an integrated community structure with economical, social and environmental⁶. An active sustainability concept contains these three factors in its body. It will only be possible to maximize the social welfare by ensuring that meeting the needs of the present generations without compromising future generations' needs (OECD, 2001).

Within this scope, it is necessary to make socially short and long-term plans which are economic, social and environmental strategic (figure 2). Then, there should be a balance among the progresses towards continuously developing areas like firstly participation, communications, analysis, debate, and investment, capacity-strengthening. All in all, coordination and consistency which reveals the best strategy for sustainable development should be presented by the present system. In this structure; an integrated vision should be developed with international foundations which are human centred, long term and extensive and based on analysis⁷. Especially goals about budget priorities should be presented clearly in sustainable development strategy (OECD, 2001).



Source: (OECD, 2001)

Based on this, sustainable development plans should primarily contain the following points (Brebba & Beriatos, 2011; Pawłowski, 2011):

- cooperation between every one concerned at the local, regional and national level,
- redistribution of goods and opportunities at the global level,
- not exceeding nature's capacity to regenerate
- economic development within the limits of the capacity of ecosystems,
- national self-sufficiency in terms of food, energy, water and other natural resources,
- striving for a balanced, harmonic development in all regions of the country,
- maintaining the capacity to regenerate renewable resources,
- efficient use of non-renewable resources and willingness to replace them with renewable substitutes,

– constant protection and, if possible, regeneration of biological diversity at four levels:

Landscape level, ecosystem level, species level, genetic level,

– creating conditions for economic entities for fair competition in access to limited resources and opportunities to discharge pollution,

– providing human individuals with a sense of ecological security, understood as the creation

of favorable conditions for physical, mental and social (with local bonds) health.

Considering in general terms, a sustainable macro economical planning should pay attention to all points including urban planning, cultural heritage, environment management, social and political matters, rural development, supportive efforts towards the economies of under developed and developing countries.

Sustainability and Global Public Goods

Considering in general terms, it is seen that sustainable development was treated with different concepts in its historical development. One of the most important of these concepts is global public goods. Along with *public goods* sustainability concept started to be addressed at global and regional level as much as national or local level. This situation has brought the issue of which ones from the goods or services can be handled at global level. Nowadays, it is seen that the concept of global public goods is pronounced mostly in some areas like global environment, international financial stability, market efficiency, and health, access to knowledge, peace, security and human rights in conjunction with sustainable development. On the other hand, it is understood that in recent years global public goods (GPG) are defined as a set of concepts presented to express especially environment-related activities like "the global commons" or "the common goods of the human kind" (Zhang & Swartz, 2009; Harris et al. 2001).

While competition in consumption and exclusion is not possible, goods and services which can be owned by individuals without paying a price are defined as public goods, goods whose benefits spread at national borders or generations, in

which mutual consumption is possible, whose finance is realized globally are considered as global public goods. Within this scope, some of the pure global public goods are listed as removal of ocean pollution, weather forecasts, monitoring stations, protection of the ozone layer, global warming prevention, eradication of diseases, knowledge production, etc. Considering in general terms, in order to define a good or service as global public good, it should carry two different features together. According to this, firstly in order for everybody to get benefit from a good or service consumption, in other words, not excluding anybody from the consumption of this good (of the marginal cost of additional consumer is zero), secondly expanding the benefits to whole generations within the scope of sustainability (Bealey & Johnson, 1999; Feachem & Medlin, 2002).

So that a GPG should: (i) cover more than one group of countries; (ii) benefit not only a broad spectrum of countries but also a broad spectrum of the global population; (iii) meet the needs of the present generations without jeopardising those of the future generations (Anand, 2004). In Table 1 shows the list of Global Public Goods.

TABLE 1
A Typology of Global Public Goods (GPGs) Based on their Characteristics

	<i>Rivalrous</i>	<i>Non-rivalrous</i>
Excludable	Pure private goods	Impure public goods – network or club goods: <ul style="list-style-type: none"> • transnational parks • INTELSAT • Canals, waterways • International space station With some exclusion: <ul style="list-style-type: none"> • missile defence system
Non-excludable	Impure public goods – congestible goods: <ul style="list-style-type: none"> • alleviating acid rain • ocean fisheries • controlling organised crime • pest control 	Pure public goods: <ul style="list-style-type: none"> • curbing global warming • basic research • limiting the spread of ‘infectious’ diseases • augmenting the ozone layer • some scientific discoveries and knowledge

Source: (Anand, 2004)

A similar classification was made in the point of sustainability again by Kaul, Grunberg and Stern. Based on the levels of competition in consumption and exclusion, global public goods are divided into three different groups. (i) In the first place Natural global commons are located: the goods where there is no exclusion and competition in consumption, which are extremely important in terms of human life like the ozone layer, global climate, which can be subject to excessive consumption are located in this group (ii) In the second group there are human-made global commons: The goods being in this group are the ones where there is exclusion partly and no competition in consumption; goods and services such as universal norms and principles of human rights, information, internet. For example, as to take advantage of internet services needs a certain fee, it is possible to exclude the ones who don't pay for internet services. Besides, because of some impossibilities such as firstly financial incapability, literacy and foreign language problems which block access to internet services, inadequate use of this type of good and service arises. Inadequate use of aforesaid goods causes to emergence of social costs fundamentally at global level (iii) Being in the third place global public goods are classified as goods and services resulted from global conditions. These are topics like peace, health, financial stability, free trade, freedom from poverty, environmental sustainability, equity and justice. Primarily for evaluating elements resulted from global conditions within the context of "global good", there should be continuous and regular presentation of it. In addition to this, in the consumption of goods and services generally being in this scope, it is seen that there is no competition and exclusion, they are supplied insufficiently at global level. On one hand insufficient supply causes "public emerging "public bad", on the other hand it leads to exponential growth of problems. Public bads are listed in the form of sub-headings as unstable ecosystems, radiation, global warming, human exploitation, injustice, income inequality, war and conflict, illness, financial crisis fragmented market structures, social conflict, an increase in crime rates (Kaul, Grunberg & Stern, 1999; Ferroni & Mody , 2002).

Considering the extent of recent problems, the concept of sustainability is imperiled, and protecting environmental resources considered within the context

of “global public good” is also important. Ensuring the sustainability of aforesaid public goods, there is an explicit need for taking international and multilateral measures, creating political cooperation, functioning international law globally. On the other hand, it is a truth that the most powerful countries in the world are in a struggle towards eradicating global practices and at the same time they are directing and suppressing under developed and developing countries about this topic. In another respect, it is understood that governments have become the tools of private sector because of effective intervention of market forces within the scope of neoliberal policies. It is seen that mostly environmental factors are affected or damaged as a result of the increasing competition atmosphere between countries and globalization. Activities of United Nations towards creating environment protection awareness contain inadequacies; although they have succeeded in some topics (Some negotiated regimes have had some success, for example the ozone protection regime, the Law of the Sea and the governance of Antarctica), it doesn't change the present situation. For example, it is highly thought-provoking that unfortunately the struggles to create a broader global climate regime haven't reached their goal. On the other hand, environmental threats involve a big and geographically large area. The search for international consensus about the content of “global public goods” which is parallel to this case has been inadequate (Andersen & Lindsnaes, 2007; Gleeson & Lows, 2001).

Global Public Goods and the Problem of Financing

One of the most obvious problems about global public goods is the issue of financing global public goods. However, it is not possible to mention about mechanisms which are expressed clearly in terms of both protecting aforesaid goods and providing their sustainability. In another respect, the overuse of natural resources has caused environmental problems to extend inevitably in connection with the growth of world economy. It is observed that issues concerning physical environment in protecting and managing global public goods parallel to this have come into prominence, and this situation has emphasized the issue of solving finance problem (Soubbotina, 2004).

It is considered that displaying a long term perspective on the financing of global public goods is highly necessary for building a “global public welfare”, and this situation will also cause constitution of new international finance tools (Andersen and Lindsnaes; 2007). It is mentioned that global taxes are necessary particularly in a global world in order to realize activities such as environment protection projects, measures for public health, programs for overcoming poverty, efforts for preventing crisis, etc. Judicial scientist James Lorimar mentioned about this idea of him on global taxes in his book called *Basic Problems of International Law* in 1884. In 1945 during the establishment of United Nations, it was stated that global economy management and even global welfare distribution was not only desirable but also a rational necessity. During cold war in 1950s and 1960s as a result of severe refusal of American government and many large companies, global taxes fell from favor, but the year 1972 was a turning point. James Tobin suggested Tobin tax for the first time. In 1977 the Washington-based Brookings Institute leant on the topic, and in the same year United Nation Conference presented global taxes as a possible source of income for fighting against desertification. Besides, it is seen that a real international global tax was put into practice in 1980. This tax was levied on an article in the United Nations Law of Sea Agreement and the activities concerning mining in sea-bed. In 2001 Zedillo Panel Report of United Nation World Conference, it was concluded that “*global taxing is a fact which is financed by international consensus and many countries, and should be determined by permanent resources*” (Nar, 2013).

As providing the continuity of human life depends on primarily on environmental factors, the idea of sustaining and managing natural resources has a functional importance. This situation caused taxes concerning environment which are being used increasingly to be on the agenda and to be considered within the context of “green tax reforms”. The idea about interiorizing external costs⁸ which was resulted from taxing environmental pollution was manifested in Pigou’s book called *The Economics of Welfare* in 1920. This idea has been the basis for necessary theoretical activities. Although the idea that who pollutes

pays for the pollution is valid in environmental pollution, in practice especially about public goods (GPG) it is generally not possible to reach the people and companies who pollute environment. Thus, it is intended to eliminate the damage by means of global taxing. But it is not possible to say exactly that global taxes support Pigouvian theory which is carried out as interiorizing exterior costs. Because if this kind of a tax is very successful about preventing undesired activities, it will lose its effect as a source of income for the state. Because when the rate increases, the usage of it will decrease and the income will also decrease. Below there is the list of global taxes which are intended for implementation, and some of them don't have Pigovian management function. In other words, the purpose is not tax implementation on elements which cause *negative* exteriority like in Pigovian taxes, but rather it is to provide excising also on activities that are considered *positively* like excising e-mail traffic and world trade (Ma et al. 2011; Cnossen, 2005).

(i) *Taxes, User Charges, Fees and Levies*: Carbon Taxes, Aviation Tax, Currency Transaction Tax (CTT), Email, Internet or Bit Tax, World Trade Tax, International Arms Trade Tax (ii) *Market Creation and Strengthening*: Leases, Sale and Trading Permits, Emissions Trading System (iii) *International Public Sources* (iv) *National Public Sources*: Official Development Assistance (ODA), Debt Relief and Debt-for-Sustainable Development Swaps, Reducing or Removing Perverse Subsidies (v) *Private Sector Resources*: For-Profit Corporations, Non-Profit Corporations (Binger, 2003).

It is considered that with the *Carbon Tax*, global warming can be slowed by reducing carbon dioxide emissions, and less than 1% tax on *Cash Flow* can reduce speculative capital movements. It is expected to reduce carbon emissions of aircrafts and direct costumers to transportation vehicles which cause less pollution such as seaway and railway by charging Airline Fuel Tax on handling fees. It is expected to levy a tax on the amount of information on the net, in other words, on the e-mail traffic by means of *E-mail* and *Internet Tax*. *World Trade Tax* is presented by the Brandt Commission and based on the idea that little tax is supposed to get from the world trade and thus global trade will be done in

more suitable circumstances with an increase in global welfare. By means of *The Usage Tax of Oceans and the World Atmosphere*, it is expected to reduce the negative results caused by bad usage of oceans and the atmosphere and to create a fund necessary for searching and protecting valuable resources. This kind of taxes aims to control the order of international air and sea traffic and the usage of oceans and the atmosphere by the army. It is aimed to expand energy taxes in a way to cover nuclear waste tax by means of *Radioactive Nuclear Waste Tax*. Because whether nuclear energy is preferred or not, it is important to reinforce producers at the point of reducing production (Nar, 2013).

The purpose of mechanisms such as leasing or commercial permits is to reduce the damages to environmental resources at minimum level, in other words, to create clean development mechanisms⁹. In order to internalize social and environmental costs of pollution, for example, along with long term renting of oceans to fishermen, pollution permits can be bought and sold in the international arena. With “Emissions Trading System” which is regulated by the 17th Article of Kyoto Protocol, if a member country realizes emission reduction under than the determined rate, in other words, committed emission rate, it can sell this emission reduction to another country. Thus, while building a mutual win-win situation in the management of natural resources, the benefit will spread to environmental and global community (Wiesmeth, 2012). Considering the present sanction power of international foundations and organizations like especially IMF, WB, UN, WTO with International Public Sources, there is an emphasis on their potential for creating residual reserve and source pool in the financing of global public goods. Moreover, it is expressed to reduce social and economical costs by creating international minimum standards towards the aforesaid goods. It seems possible to follow regulation policies by means of NGO and vocational organizations by creating common action plans concerning environmental regulations. Again discharging obligation with economical pressure mechanisms (commercial sanction) to multicultural companies can be used as an effective tool in terms of sustainability of global public goods (Kaul et al. 1999; Maskus & Reichman, 2005).

On the other hand, it is necessary not to waste national public sources in vain, and to reduce or remove unproductive subsidies. Within the context of debt relief and debt-for-sustainable development swaps, it is essential to structure the debts of heavily indebted poor countries especially African countries, if it is necessary to wipe off their debts and for this purpose to put national poverty reduction strategy (NPRS) into effect immediately in order for achieving success. Besides, the help and contributions of independent non-profit foundations in addition to the USA centred profit-oriented companies are extremely important. In this context, comprehensive helps (for example, *Rockefeller Fund* for fighting AIDS) including donations from private sector sources of developed countries are considered important¹⁰ in terms of social responsibility and environmental sustainability (Anand, 2004 ; Binger, 2003).

Another corporation built as a source of financing is (GEF). An intergovernmental institution supported by its members that offers grants to cover the additional costs to a country's own actions for sustainable development to maximize agreed global environmental benefits in the areas of biodiversity, climate change, international waters, ozone layer depleting substances, persistent organic pollutants, and land degradation, primarily desertification and deforestation. Its secretariat is housed in the World Bank and its primary implementing agencies are the World Bank, UNDP and UNEP (Meganck & Saunier, 2009).

Besides, in order to implement policies concerning sustainable development completely, it is obvious that dominant countries should direct to cooperation voluntarily. Because there is not any kind of mechanism that can force countries or a world government which can dictate countries to implement these policies. This situation reinforces the phenomenon of free rider¹¹. Institutions like this, there is a strong incentive for free riding. Hence, sustainable development as a global public good has not yet been provided (Endres & Radke, 2012).

Conclusion

The inadequacies of policies within the context of “sustainable development” concept which is expressed in 1992 Rio Summit is considered as a reflection of basic thought conflicts between the developed northern and underdeveloped southern countries. In 2002 Rio Summit which is held after ten years, it is determined to apply more effective and insistent measures, and to focus on policies concerning this idea by including a detection that the measures that were taken beforehand are not reached yet. However, when 2012 Rio is evaluated, it is obvious that there are still not enough incentives towards the reduction of fossil fuel usage. And it is seen that unilateral powers granted to the governments about applying or removing green economy or environmental taxes are more compared to the old regulations. Implementing countries’ sustainable development goals universally is somehow left aside. Regulations about oceans, seas, forests and renewable energy resources are highly ambiguous. It is obviously seen that politics towards cancelling or deleting debts of poor countries are not more than empty promises. The framework text emerged within this context is extremely far from the purpose in terms of expressing clearly the institutions which would establish sustainable development.

At this point the problems are more complicated. In fact although sustainable development concept is handled from various aspects with local or national dimensions, it is still being ignored the fact that this concept is a global problem which covers environmental, social and economical dimensions and causes international results. It can be seen clearly that this self indulgence will continue till negativities emerged from this situation occupy the world and reach the point of “unsustainability of negative exclusion”. In order to inherit a livable world to the next generations, it is necessary to understand the fact that international cooperation which is the base for sustainability beyond national borders is indispensable without being too late. As national politics is inadequate in relation to many problems at the point of sustainability. In order to perform sustainable development the most critical problem is to prevent all inherently destructive negativities such as primarily extreme poverty and wars on a global basis. Also it is so obvious that there is an urgent need for making “practicable”

politics consistent with economical, social and environmental development goals on a global base. Because human beings have been standing in the centre of concern within the scope of sustainable development. Their right to live in a healthy and productive world which is in harmony with nature is almost extorted by someone for the sake of accounts.

People supporting a counter view state that the thoughts expressed are in conflict with conscious government discourses. They express that this situation is inevitable in terms of the increasing human population and their needs. Moreover, they mention about that fears are created by constituting a perception on environmental disasters by international social forces. They state that especially foreign investors who are shown as one of the heads for environmental disasters are rather people who appear as factors towards compensating for the failures of governments globally by expanding all over the world. Even they say that at every stage of production progress they pay enough attention to environmental and ecological sensitivities. On the other hand, it is said that funds provided at the point of internalizing social costs are highly above the amount which is gathered by many countries by coming together. Again, for the purpose of minimizing responses to this issue, the matters which multinational companies should consider are clearly laid down in the "OECD Guidelines" (see, OECD Guidelines for Multinational Enterprises: General Policies).

Besides that, considering its connection with global environment, "Global Public Goods (GPGs)" concept and its "sustainability", "conservation" and "management" is extremely important. It is a known fact that international financial establishments and organizations have a potential in terms of constructing an important source for financing global public goods. In addition to this, it is important that particularly the United States and Canada and other developed countries which direct aforesaid institutions show consent to this issue. Also it is observed that nowadays new global public goods and services are appearing. After the events following 11th September 2001, fighting against terrorism and security need for all countries on a global base has been felt throughly. At this point, it is obvious that there is an inadequacy of national

policies about this issue. Again as in national public goods, one of the main problems of global public goods is free-rider problem. As Olson states (1969) it is extremely important to present selective and developed incentives to group members in order to overcome this problem.

According to Weaver (2010) the main problem lying in the background of globalizing, integrated world economy is the simple fact which is the struggle between rich and poor countries (North-South). According to the 2007 Human Development Report presented by United Nations Development Program (UNDP); in developing countries 1 billion people are striving to live on less than 1 dollar a day and nearly 3 billion people are striving to live on less than 2 dollars a day. Similarly, while 1.1 billion people in the world are not literate at the same time the same number of people do not have access to improved water sources. 33, 2 million in the world have HIV virus and most of them (22, 5 million) live in sub-Saharan Africa. Negativities like absolute poverty, epidemics and working conditions experienced by the least-developed countries in the world affect the life quality of the rest of the world deeply. Bundschuh (2012) expresses that the main fact lying in the background of industrialized countries' richness is based on the use of nuclear and fossil sources. In such a world, richness is only built on the poverty created. 80 % of all traditional energy sources are consumed by only 20 % of the whole population. In other words, 20% of rich people use 80% of global financial sources. Consequently, unjust distribution about energy consumption is precisely correlated with the distribution of poverty and richness in the world. In such an atmosphere, it is considered extremely important that the USA directs international aid efforts about the fight against global poverty in conjunction with the "Millennium Development Goals".

On the other hand, the fact that negative exteriorities resulted from economical, social and environmental factors have become a bigger source of concern also increased the initiatives towards focusing on environmental policies. As of today, the introduction of emission tax practices by the Government of New Zealand to reduce emissions of greenhouse gases and of pollution taxes which was started by Australia in 2010 is important. The initiatives towards more

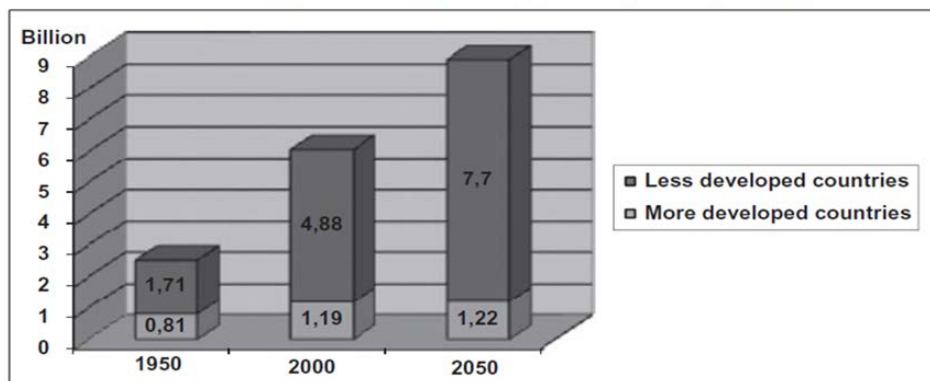
environmentalist taxes in countries such as Greece, Iceland, Italy, Luxemburg, Mexico, Poland, Turkey and the USA are promising. With emission based motor vehicles applied especially in a large part of European countries, efforts towards forcing automobile producers to reduce carbon emission to 95 g/km by the year 2020 by means of the new act in EU. However, although European Union seems to be integrated to a certain degree, it is not possible to mention about a global tax in UE yet. But it shouldn't be forgotten that the decisions about taxing which is expressed as a critical area in EU are made by a unanimous vote.

After all, despite all well-intentioned efforts, the problem of financing global public goods continues to come to the fore. This situation on its own is the one beyond development aids directed by the USA. The main problem is financing aforesaid goods and diversify financial tools globally within the context of sustainable development. It is highly obvious that in order to protect global public goods (GPG) there is need for global taxes primarily. There is also an urgent need for organization of taxes by means of a binding supra-national establishment. In the tax collection, payment should not be a matter of good will nor the tax should be voluntary. The tax should cover every kind of compulsory practice in order to guarantee the superiority of law and to provide sustainable development in a global and civilized world. Each government should practise taxing on a globally accepted tax rate under its authority, and then a certain part of that income provided from taxes should be spent through a supra-national establishment in a way which is suitable to the global structure. Nowadays it is estimated that potential capacity of global taxing is 1-1, 5 billion dollars. Whereas, there is not such a global tax which we can express in general terms towards the financing of global public goods. Also the reasons like the existence of oil companies which opposes to this case as in carbon tax have brought some taxing difficulties with it. Thus, global tax project continues to be maintained within the possibility of political conflicts and failures.

Notes

1. The situation is expected to stabilize in 2075 at around of 9.22 billion people, which is almost twice the population of 2000. According to Malthus, humanity is characterized by a tendency to increase its numbers at a rate higher than the rate of increase in the food supply. Therefore, it is necessary to restrict the rate of population growth artificially.

Present and forecasted changes in human population (World Population, Changed).



Source: (Pawłowski, 2011).

2. Indeed, without the domestic and regional capacity to connect trade regimes with inclusive and sustainable development policies, linking to the world economy on better terms will remain an elusive challenge for small and low-income countries.
3. World economic growth and sustainable development cannot succeed through government spending alone. Governments, intergovernmental organizations, and private foundations must find ways and the means to tap the wealth of financial markets, structuring deals that would make all actors better off private investors, donors, and especially developing countries and the world's poor.
4. This has centred upon notions of Rawlsian equity (Rawls, 1972) wherein, to be truly equitable, decisions regarding the use of resources (be they involving man-made, human or natural capital) should be made behind a 'veil of ignorance' with respect to their temporal impact. Such a view is fundamental to the often quoted Brundtland Commission definition of sustainable development as 'development that meets the needs of the present without compromising the ability of future generations to meet their own needs'.
5. The 1992 United Nations Conference on Environment and Development endorsed this principle, an insight of which is that the protection of the environment cannot be sufficiently achieved by governmental intervention, but needs to become an integral part of economic and social structures that govern the decision-making of private actors, particularly including consumers and businesses.

6. The most concrete concept of sustainability is a steady-state economy. In a steady-state economy, natural resources are consumed at a fixed, sustainable rate and the quality of the environment is maintained at a level that protects the health of human individuals, species, and ecosystems.
7. Another area in which post-Keynesian economics contributes to a pluralistic approach is with uncertainty and bounded rationality. Barkley Rosser, Jr. (1999, 2005) builds on the work of Herbert Simon and Georgescu-Roegen on complex dynamics that imply lack of predictability for the future to study system sustainability.
8. Neoclassical economists like Solow (1992, 1994) address this with a “weak” definition of sustainable development, ensuring that natural resource depletion is matched by commensurate increases in manufactured capital. Where there are externalities neoclassical economists call for taxes, tradable emission permits, etc. to reflect the true costs of resource use in the private sector. But while Coasian solutions such as market incentives can increase social efficiency of certain resource uses and reduce some kinds of pollution, it is clear they are not suited for large-scale problems where the parties have trouble coming together.
9. The idea behind the creation of the CDM (Clean Development Mechanism) was to create a ‘win-win’ situation both for the North and South, where, on one hand, developed countries could meet their emissions targets relatively cheaply by investing in the developing world (where, labour and other costs are usually lower), and, at the same time, the South would benefit from the transfer of clean technologies.
10. These initiatives form part of the philanthropy or corporate social responsibility programs that often accompany a company’s outreach to foreign markets. The objectives span a wide range of concerns—from poverty reduction and human rights to global health, disaster management, and sustainable development.....The operational social responsibility initiatives of the IKEA Group provide an example. Much of the raw material for IKEA’s products is wood or wood fibers. To ensure longer term sustainability, the company sources its wood from forests that are managed responsibly. And because child labor is a reality in many countries in which IKEA purchases labor and products, the company supports projects that go to the root cause of the problem: quality education. Its initiatives span large parts of the globe—from Africa to Asia and Eastern Europe.
11. A free rider is a person who seeks to enjoy the benefits of a public good without contributing anything to the cost of financing the amount made available. The free-rider problem stems from the incentive people have to enjoy the external benefits financed by others, with no cost to themselves. Free riding can be a reasonable strategy for any one individual, provided that no penalty exists and that only a few individuals choose the strategy.

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