How Can a Global Social Support System Hope to Achieve Fairer Competitiveness?

Comment on “A Global Social Support System: What the International Community Could Learn From the United States’ National Basketball Association”

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Abstract

Ooms et al set out some good general principles for a global social support system to improve fairer global competitiveness as a result of redistribution. This commentary sets out to summarize some of the conditions that would need to be satisfied for it to level up gradients in inequality through such a social support system, using the National Basketball Association (NBA) example as a point of reference. From this, the minimal conditions are described that would be required for the support system, proposed in the article by Ooms et al, to succeed.

Keywords: Gradient, Inequality, Proportionate Universalism, Governance, Capacity Building

This commentary sets out to summarize some of the conditions that would need to be satisfied for a global social support system to level up gradients in inequality through such a social support system, using the National Basketball Association (NBA) example as a point of reference. From this, the minimal conditions are described that would be required for the support system, proposed in the article by Ooms et al, to succeed.

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The paper by Ooms et al sets out some good general principles for a global social support system. They argue that global trade is unfair, in part because richer countries set the rules. If global trade were fair, then international aid would be unnecessary and inequalities inherent to the economic system would be justifiable. They suggest that the example of the National Basketball Association (NBA) illustrates how system-wide competitiveness of the entire field can be improved as a result of redistribution. Significant limitations exist in trying to extend the NBA’s success in redistributing new talent, within the relatively closed system of a baseball league, to the infinitely more complex issue of the world economy. These are, of course, recognized in the article. But it is worth summarizing some of the principles that constitute necessary conditions for levelling up gradients through a social support system, using this example as a point of reference. This then provides a framework for describing why existing international efforts at achieving a levelling of the playing field tend to fail. From this, we might then deduce what are the minimal conditions for the support system, proposed in the article, to succeed. Some key principles that are increasingly seen as necessary to improve equity of outcomes from social support systems are proportionate universalism, governance structures and adequate scale and intensity.2–4 There is evidence, for example, that these are critical success factors in ensuring that social support systems in European countries are associated with greater equity in health and well-being.5 The NBA scheme certainly meets the first of these criteria. It is universal, in applying to all teams, and the assistance that it provides is proportionate to need. The leadership of the NBA was sufficiently coherent that when teams recognized that inequity in the distribution of skills was leading to falling attendances, they acted strategically to achieve a fairer competitive environment – perhaps at a short-term cost to the biggest and strongest teams. But there is, as the paper indicates, limited information on scale and intensity of follow-up. We do not know to what extent needs-based recruitment was followed through by nurturing rookie skills in the weaker teams with equal or greater intensity than those who had the benefit of being in a high flying club, playing alongside the best existing players.

When international trade and aid are viewed through the lens of these success factors for achieving equity, the existing arrangements fall short in most respects. Trade agreements tend to favour the richest and most powerful nations.6 Aid is far from universal – it tends to be targeted either at only the poorest countries or is related to political demand factors - or proportional to need – it is often focused on the short term interests of donors through tied aid7 or to influence multilateral trade negotiations.6,8–10 Similarly international governance structures are commonly weakened through either the conflicting interests of member states or benign neglect.11 Ensuring the stewardship of investment in countries that lack adequate infrastructure is also often absent.12 Where international initiatives are undertaken in the name of equity, their scale and intensity is usually focused on specific issues – so lacking scale for capacity building13 or for making changes across the global economy – or of insufficient size to achieve an intensity to would alter the global concentration of resources. Where resources are targeted, the intensity is also insufficient or appropriately managed to overcome the legacy of skill and infrastructure deficiencies.13 In short, it is "dominated by linear, mechanistic ideas that emerged from early twentieth century industry, and are ill-suited to the world we face today."14
What, then, does this tell us about the proposal for a global social support system? As a preliminary observation it needs, as previously remarked, to take account of the greater complexity of the global economy. This is made up both of nation states and of global financial organisations that span states. While the global economy affects all our lives, only a small proportion of individuals own or control a large proportion of global wealth. For the rest of us, wealth is distributed across a wide spectrum, with four out of five people living in low- or middle-income countries and a disproportionate number of people at the very poor end of this distribution – with, for example, one out of eight people living in countries with national income per capita of less than ten dollars per day (after adjusting for purchasing power).

That is around a fifteenth of the purchasing power of average income in the United States. The scale of the change required is immense.

If the proposed global social support system is to be equitable and achieve sustainable improvements in well-being, it needs to be equitable both in its collection and distribution. If the NBA example were to be followed, a simple Robin Hood tax – “taking from the richest countries and giving to the poorest” would not, for these reasons, engage the majority of people who live in the very diverse collection of middle-income countries. And even if focused on the poorest, the scale of the transfer would need to be immense.

To make a difference, like the NBA scheme, the global social support system needs to be focused on capacity building. However, considerable intensity of action would be required to turn around the legacy of low capacity and weak governance structures in countries with endemic poverty, to make effective use of the funding.\(^7,10,12,14\) One practical outcome of this challenge may well be to focus on building a small elite within countries. While this approach can be beneficial in building a winning baseball team, the consequence in a poor country is to widen inequalities of both wealth and opportunities. An alternative approach, of investment in grass-roots education and health facilities, would take one or two generations to bear fruit. And then only if it is not thwarted by the existing lack of infrastructure and the negative impact of trade agreements and the financial and the wider economic decisions of more powerful countries and organisations.\(^9\)

To address these shortfalls, a more sophisticated portfolio of well-funded actions is required than simply creating a support fund and loosely following the example of the NBA. The portfolio needs to simultaneously deal with the legacy problems confronting countries facing adversity, as well as the immediate problems faced by the large numbers of individuals living in adverse and vulnerable situations in those countries. At the same time it needs to create the educational, social support and health systems that will create sustainability in the future.\(^17\) This is a tall order, but the price of not doing so is the perpetuation of inequality both within and between countries. In this, at least, we have a lot to learn from the NBA.

Author’s contribution
PG is the single author of the manuscript.

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Ethical issues
Not applicable.

Competing interests
Author declares that he has no competing interests.