

What is a global public

1

The consumption properties of GPGs

Pure GPGs are non-excludable and non-rival

- Moonlight
- The warming rays of the sun
- The oceans
- Peace and security
- Financial stability and economic stabilization
- (Integrated) markets – whether efficient or not
- Environmental sustainability
- Communicable diseases control

Impure GPGs are either non-excludable or non-rival
Non-excludable or difficult to exclude, but rival ('natural commons'):

- The atmosphere
- The ozone layer

Non-rival, but excludable:

- Knowledge-related goods, e.g. inventions

De facto GPGs

Non-rival goods that are kept or made non-exclusive on a global scale:

- International communication and transport networks
- Respect for human rights
- Respect for national sovereignty
- Multilateral trade agreements
- Globalization of policy approaches (privatization, economic liberalization)
- QWERTY keyboard

Rival goods that are deliberately kept public:

- A global gene pool to promote biodiversity preservation

Public goods that are placed or left in the global public domain either inadvertently or due to political neglect:

- Medical, financial and other technologies (before undesirable side effects become evident)

GPGs with restricted access

- Patented knowledge (royalties to be paid)
- The World Wide Web (access depends on private goods like computers)
- International markets (access depends on having something to trade)

The term 'global public goods' is quickly becoming a much used term in policy circles. Other terms are also used – 'global common goods' or 'global collective goods' – to signify this comprehensive notion. The term 'public good' is a core concept of economics. The essence of a public good – in contrast to a private good – is that it is non-rival in consumption (my use of it does not affect yours) and has non-excludable benefits (it is available for everyone to use).

The key property of a private good is that it can be made excludable. Most private goods (think of bread) are rival. But some private goods and activities (think of your neighbour's radio playing) can also generate public spillover effects (radio playing may be perceived as noise or as music). These spillovers can contribute to or spoil the availability of public goods (e.g. calm and quietness).

Public goods can be defined in many different ways. The following five boxes outline the various definitions according to consumption, provision, production and political properties, as well as the scale of their impact.

The current provision status of GPGs

Underprovided GPGs

- Peace and security
- Health and health care
- Financial stability
- Environmental sustainability
- Norms and standards for traded goods

Overused GPGs

- Straddling fish stocks
- The ozone layer
- The atmosphere

Absent GPGs

- An international migration regime
- A knowledge and technology framework

Well-provided GPGs

- Communication and transport networks
- The World Wide Web
- The universalization of human rights norms
- Globalizing markets

2

good?

4

The political properties of GPGs

Typically consensual GPGs

- Communication and transport networks
- Scientific knowledge
- The norms of sovereignty and collective security
- Several basic human rights, e.g. the abolishment of slavery and the right to basic education

Frequently contested GPGs

- Globalizing norms about gender equity
- Globalizing views about what ought to be public and what private
- The multilateral trade regime
- The international financial architecture

The production properties of GPGs

3

The origins of public goods

Natural GPGs:

- The sunlight and the moon
- The atmosphere
- The oceans

Human-made GPGs:

- Global norms, standards, codes, rules and policy regimes ranging from norms governing the size and design of passports to technical safety standards for aircraft, pollution caps (like those for the emission of greenhouse gases), and international trade and investment regimes
- Global infrastructure and communication networks
- Global knowledge networks

Production path

Best-shot goods:

- Inventions and discoveries
- Destruction of an asteroid moving towards the earth

Summation goods:

- Mitigation of climate change (based on CO₂ emission reductions)
- Financial stability (based on global banking regulations to be implemented in all countries)

Weak-link summation goods:

- Polio or malaria eradication
- Civil aviation safety (based on airport security screening)

Club goods fall in between public and private goods. They may be excludable in consumption, but the optimal size of the club is generally larger than one individual. In addition, from a certain point onward, the good is often rival in consumption:

- Security provision by NATO
- Airport lounges for select groups of frequent flyers

Production stage

Final GPGs:

- Controlled communicable diseases
- Peace
- Financial stability

Intermediate GPGs:

- Pharmaceutical knowledge (feeding into global disease control)
- International agreement on banking regulation (feeding into financial stability)

The scale of impact of public goods

5

Local public goods benefit mainly the people living in a particular community:

- Street signs
- Public swimming pools
- Law and order (street safety)

National public goods may serve pure national purposes or form the building blocks of GPGs:

- National electoral system (mainly pure national)
- National health system (if also geared to communicable disease control, it could also be a building block of a GPG like TB control)

Regional public goods benefit some or all countries within a geographical region:

- Early-warning systems for tsunamis
- The management of river basins
- Measures to deal with vulnerabilities created by regional openness (e.g. cross-border transmission of human and animal diseases)

Global public goods are all the examples given in the other four boxes that impact people at a global level.