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Exchange Entitlement Deficit: The Deep Implication of the Dilemma in Global Human Rights Governance

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Abstract. Global human rights governance is confronted with multiple challenges such as political polarization, economic sanctions, and trust crises, and the deficit problem is not optimistic. Existing theories mostly attribute the predicament of global human rights governance to resource scarcity and uneven distribution, further deducing that human rights standards vary with national conditions. However, the resources required to promote the realization of human rights through governance are not merely an issue of resource development, but also involve how resource endowments can facilitate the maximum realization of human rights through various rights chains. Amartya Sen's exchange entitlement theory holds that the fundamental causes of poverty and famine lie in the lack and imbalance of exchange entitlements. By extension, the deep implication and underlying logic of the global human rights governance deficit is the "exchange entitlement deficit," which is specifically manifested in the imbalance of exchange mechanisms for political rights and interests, economic resources, and social opportunities, as well as the insufficient supply of international human rights system public goods in terms of "transparency guarantees" and "protective security." To address the deficit dilemma in global human rights governance, we should improve the exchange entitlement mechanism for human rights in the international arena, ensure that citizens' political rights and economic, social, and cultural rights are protected by institutions, reduce the transaction costs and information costs for people to realize their human rights, and truly establish the belief in human rights in the international community.

Keywords: Exchange Entitlement, Global Human Rights Governance, Global Governance Deficit

1. Introduction

The world has entered a new period of turbulence and transformation. The peace deficit, development deficit, security deficit, governance deficit, and trust deficit facing human society are on the rise, and global governance is confronted with potential human rights crises. In recent years, deglobalization phenomena such as the US trade war, the Ukraine crisis, and the Gaza crisis indicate that the problem of global human rights governance deficit is not optimistic; compared with Western developed countries, developing countries in the Global South are still at a disadvantage in the allocation of international discourse power. The global governance system that is more in line with

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the interests of Western developed countries cannot play an effective incentive role, hindering the realization of global common interests. Global governance is ultimately people-centered governance. International cooperation is inevitably faced with many challenges, but if we take people as the purpose and human rights as a bridge for communication and cooperation, the irresistibility of challenges and risks can be overcome. From a human rights perspective, the superficial cause of the recurring global governance deficit crisis is the insufficient governance effectiveness of the existing international human rights mechanisms, and the deep-seated cause is the insufficient explanatory power of existing theories for the global governance dilemma. Amartya Sen's exchange entitlement theory argues that poverty and famine arise not from a shortage of food resources, but from flaws in policies and social mechanisms that lead to an imbalance in the exchange entitlement mechanism of ownership, making it impossible for poor groups to realize their human rights through their own exchange entitlements. By extension, the dilemma of global human rights governance is essentially a malfunction in the exchange entitlement mechanism related to human rights, which further deteriorates the resource endowments and rights sets of human rights, resulting in human rights "poverty." Resource scarcity in the international community cannot be an excuse for the dilemma of human rights governance; on the contrary, how to maximize the realization of human rights through policies, laws, and international cooperation under given resource conditions is the proper meaning of global human rights governance.

2. Theoretical origin and human rights implications of exchange entitlement

Exchange Entitlement originates from Amartya Sen's research on poverty and famine. Through empirical studies on developing countries and regions severely affected by famines, such as India, Bangladesh, the Sahara, and Ethiopia, he argued that the causes of famine are not only insufficient food supply but also errors in the distribution link. He proposed the "exchange entitlement" theory to criticize the traditional FAD (Food Availability Decline) theory, and further demonstrated that hunger arises because individuals' "exchange entitlements" are impaired. Resource endowment, exchange entitlement, and entitlement set are the three core concepts of the exchange entitlement theoretical framework: Resource endowment refers to the set of resources an individual currently possesses that can be used to exchange goods, including tangible assets and intangible assets; Exchange entitlement is mapped as "each ownership combination specifies an exchange entitlement set" for an individual [1], representing the relationship between different rights. For example, the ownership of food is one of the most basic rights of social members, and people's ability to dispose of food or any other thing they wish to obtain or possess depends on the rights relationship of ownership and use rights they have in society. The entitlement set is determined by resource endowment and exchange entitlement mapping, representing an individual's opportunity to transform all resources into the desired life. An individual's entitlement set refers to the chain of rights that an individual can effectively possess and realize under the constraints of social institutions. Without denying the importance of food production, Sen analyzed food production within the network of exchange entitlement relationships and proved that even if food production remains unchanged, changes in ownership relationships can trigger severe famines. He further concluded that hunger is a function of exchange entitlements rather than food supply, that is, rights relationships determine whether certain people have the ability to obtain sufficient food to avoid hunger. The deterioration of the exchange entitlement mechanism can directly trigger hunger, and can also indirectly cause hunger by leading to a decline in the combination of resource endowments. The exchange entitlement mechanism of poverty is also similar: insufficient resource endowment (scarcity of money, connections, vision, etc.) is certainly one aspect, but the impairment of the

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exchange entitlements of the poor is the deep-seated reason why their human rights cannot be realized and their basic lives cannot be guaranteed. Resource scarcity and imperfect distribution mechanisms are external constraints that have to be accepted, but poor groups should have a sound exchange entitlement mapping to realize the right to a happy life and be able to continuously improve their poverty situation within the social system.

Exchange entitlement has been endowed with a strong human rights attribute since its establishment. The problems of poverty and famine fall within the scope of human rights governance, and exchange entitlement, when applied to these issues, focuses on the realization of individuals' capabilities and rights. The realization of capabilities is often accompanied by the realization of rights, which is also a major challenge in human rights governance. Exchange entitlement can directly determine whether individuals' capabilities are realized and the spontaneous social distribution of resource endowments. For example, during a famine, most people suffer from hunger, but a small number of people can still "exchange" for food, and the famine will not endanger the human rights of this part of the people at least; the failure to realize basic capabilities, such as avoiding hunger and enjoying health, will inevitably lead to human rights problems. The realization of various rights (or capabilities) requires resources, and exchange entitlement can be understood as "the right to coordinate resource allocation to determine the realization status or degree of a certain right." If the exchange entitlement mechanism in a certain region is well-improved, people can completely realize their human rights spontaneously to a certain extent, saving policy costs for human rights governance—based on cost-benefit considerations, optimizing the exchange entitlement mechanism is a necessary condition for achieving Pareto optimality in human rights governance policies.

Exchange entitlement contains a process-oriented human rights concept that promotes freedom through development. The result-oriented human rights concept emphasizes the ex post remedy of human rights by law, and tends to simplistically attribute the realization of human rights to the shortage of social resources—using resource scarcity to ignore human rights has become a shield for some countries to commit passive human rights violations. Just as exchange entitlement criticizes the FAD theory, the deep-seated inducements of poverty and famine lie in the resistance in the distribution or realization process. Human rights governance should, on the basis of focusing on improving resource reserves, further optimize the exchange entitlement mechanism of resources. Exchange entitlement is a mechanism or model for human development. Freedom not only requires individuals to have complete control over their own resource endowments but also requires a sound exchange entitlement mechanism in social, market, and other scenarios to realize the development of freedom.

3. The expansion of exchange entitlement by "human free development"

"In a market economy, a person can convert the commodities he owns into another set of commodities. This conversion can be achieved through trade, production, or a combination of both. The set of various commodity combinations that he can obtain in the conversion can be called the 'exchange entitlement' of what he owns." Sen’s theoretical analysis is limited to the exchange entitlement between ownerships in the context of poverty and famine, and does not touch on the possible exchange between different rights, making it difficult to directly serve as a paradigm for analyzing or guiding global human rights governance issues. Nevertheless, the common direction of exchange entitlement and global human rights governance is human freedom and development, and Sen’s concept of development as freedom defines development at a more fundamental level,

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emphasizing that development is centered on freedom and promotes freedom through development, which provides new ideas for expanding exchange entitlement.

Amartya Sen's concept of development as freedom is specifically presented in his book Development as Freedom, with the core viewpoints that "freedom is the primary end of development" and "freedom is the principal means of development." [2] It can be seen that the "promotion of freedom through development" and "promotion of development through freedom" in exchange entitlement are dialectically unified. As the end of development, freedom naturally takes development as a means in a specific sense, and the development of freedom itself is gradual and requires resource endowments to promote; individuals must demand the realization of rights and take practical actions for development, and without freedom, individuals cannot achieve self-development. Freedom and development are governed by a higher-level goal—living a happy life in a desirable way to realize human rights. For this reason, Sen examined five instrumental freedoms, namely political freedoms, economic facilities, social opportunities, transparency guarantees, and protective security. Among them, "political freedoms" refer to the broadest political rights and interests that citizens possess in a democratic system; "economic facilities" refer to the opportunities that individuals respectively enjoy to use their economic resources for consumption, production, and exchange purposes; "social opportunities" refer to the arrangements implemented for individuals in social education, healthcare, and other aspects; "transparency guarantees" refer to the trust needed by people in the process of social interaction, which depends on the openness of the interaction process and the guarantee of information release and information accuracy; "protective security" emphasizes the social security system, aiming to provide the most basic human rights protection for social individuals. Instrumental freedoms promote the realization and development of exchange entitlement, and exchange entitlement also contains multiple dimensions of instrumental freedoms: in a broad sense, exchange entitlement includes not only the exchange of ownership but also the exchange mapping of political rights and interests, economic resources, social opportunities, etc.; transparency guarantees manifested as credit and beliefs actually refer to the internal institutions of society, such as ethics, customs, and norms, while protective security refers to specific policies, laws, and other external institutions of society. The guarantee mechanism of exchange entitlement requires both internal institutions such as "transparency guarantees" and external institutions such as "protective security."

4. Exchange entitlement deficit in global human rights governance

The International Covenant on Civil and Political Rights (ICCPR) and the International Covenant on Economic, Social and Cultural Rights (ICESCR), based on the Universal Declaration of Human Rights, legally confirm the rights in the basic human rights consensus. Among them, political, economic, social, and other rights correspond to different exchange entitlements, and each has its own emphasis in the five elements of global governance (subject, object, value, purpose, and evaluation). The deep connotation of the human rights governance deficit in the international community is the exchange entitlement deficit, which is specifically manifested as the political rights exchange deficit, economic resource exchange deficit, social opportunity exchange deficit, and the institutional supply deficit of transparency guarantees and protective security.

First, political polarization leads to a deficit in the exchange of political rights and interests. The realization and protection of human rights are inseparable from the human rights policies and institutional norms formulated by the state; when human rights are instrumentalized and weaponized to become a bargaining chip in national political games, they not only lose their due moral height but also actually undermine the political rights that citizens should enjoy, ultimately eroding the

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cause of human rights itself. David P. Forsythe argues that US human rights foreign policy applies double standards to some "authoritarian regimes." [3] Similarly, human rights have become a reason for Western countries to interfere in the sovereignty of other countries and an additional condition for providing economic assistance. For example, democratization and respect for human rights have become important factors in the aid policies of Western developed countries or international organizations such as the United States, the European Union, and Sweden. The deep harm of the politicization of human rights is that it shakes the exchange entitlement order of human rights at the political level. Firstly, through selective attention and double standards, the politicization of human rights undermines the foundation for citizens to equally enjoy political rights. The core of citizens' political rights lies in equality—regardless of race, class, party affiliation, gender, color, etc., everyone should enjoy equal political rights such as freedom of expression, the right to vote, and the right to be elected. However, when human rights become a political tool, this equality is arbitrarily severed. The United States turns a blind eye to the human rights issues of its allies on the international stage but magnifies inspections on strategic competitors; in domestic politics, human rights discourse is often reduced to a tool for partisan struggles. This selective "human rights concern" actually creates a hierarchy of human rights, where the rights of certain groups are prioritized, while the rights of other groups are systematically ignored. This kind of discrimination is a rational, utilitarian, and distorted capitalist political evil. Citizens' political rights are no longer equally granted based on universal personality and dignity, but have become accessories to political positions and identity recognition. Secondly, by creating "internal others," the politicization of human rights deprives some citizens of their right to political participation. In US politics, deep-rooted racial prejudices and increasingly intensified partisan divisions have often led to the marginalization of specific groups through human rights discourse. The right to vote should be the most basic political right of citizens, but many US states have essentially deprived the right to vote of traditional Democratic-leaning voters such as ethnic minorities and low-income groups through strict voter ID laws, reducing early voting hours, and purging voter rolls. These policies are ostensibly to prevent election fraud, but in fact, have clear political purposes. When citizens are systematically excluded from the political process due to race, class, or political orientation, their political rights exist in name only. Thirdly, the politicization of human rights also erodes the social foundation for citizens to exercise their political rights by creating social divisions and trust crises. The healthy exercise of political rights depends on basic social trust and public rationality. However, when human rights issues are reduced to weapons of political attack, they lose their function of building consensus. If issues such as race, immigration, or gender are incorporated into a polarized partisan framework, this politicized discussion of human rights will no longer aim to solve problems, but will strengthen identity politics and create group antagonism, making dialogue between different groups almost impossible.

Second, economic sanctions lead to a deficit in the exchange of economic resources. By means of mandatory measures, economic sanctions cut off or restrict the normal links between target countries and the global economic system, directly impacting the macroeconomic stability of target countries and causing chaos in the international division of labor system. Individuals or organizations affected by this in the international community are forced to adopt higher-cost and inefficient business strategies due to the structural imbalances and persistent deficits in the economic systems of target countries in terms of resource acquisition, technology flow, and market connection, and their economic freedom and development are subject to multiple restrictions. In addition, the domestic economic resource exchange entitlement mechanism of target countries not only suffers severe damage but also incurs huge repair costs. When sanctions are fully effective, target countries face

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difficulties in importing strategic resources; for example, the import of strategic materials such as energy, precision instruments, and high-end chips is restricted, forcing the domestic industrial system to switch to substitutes with higher costs or lower quality; the export markets of target countries shrink due to the joint boycott of the sanctioning country group, and export-dependent industrial sectors suffer devastating blows. The problems of overcapacity and inventory backlogs not only lead to a sharp decline in corporate revenue and rising unemployment but also make it difficult for enterprises to fulfill their human rights responsibilities when facing survival crises, greatly reducing the opportunities and channels for individuals to realize their own rights through economic resource endowments; the technological blockade and knowledge transfer bans under economic sanctions lead to a lag in the technological iteration rate of target countries, exacerbating the aging and rigidity of the digital industrial structure, and there is a risk of widening the digital divide and triggering a digital human rights crisis. Under economic pressure, it is difficult for target countries to spare hands or allocate resources to rebuild the exchange entitlement mechanism of economic resources through policies or legal means.

Third, corporate human rights issues lead to a deficit in the exchange of social opportunities. Human rights are social in nature, and are rights firmly rooted in social relations and dependent on structured social guarantees [4]. From a micro perspective, structural imbalances such as political polarization and economic sanctions provide opportunities for enterprises to engage in rent-seeking, ignore, or even violate human rights. With the rise of deglobalization, transnational corporations have frequently violated human rights by over-polluting the environment and exploiting labor rights and interests in pursuit of short-term maximum interests. Fulfilling corporate human rights responsibilities requires the coordination and cooperation of all levels of the enterprise, and demands certain investments of time, material resources, and human resources. However, the performance benefits of human rights products cannot motivate enterprises themselves, and the same resource investment may yield more visible returns if used in other aspects. Focusing solely on saving resources or unilaterally improving economic efficiency is likely to trigger a serious human rights crisis [5]. For example, in 2006, a transnational company dumped toxic substances across borders: the large oil trading company Trafigura leased a ship to transport toxic substances from a Dutch port to Côte d'Ivoire for dumping, resulting in multiple deaths and damage to the health of more than 100,000 people. Another example is the oil spill incident of Shell Nigeria, which has become a typical case of environmental and human rights damage caused by transnational investment. At the time of the incident, Shell's headquarters was located in the Netherlands with high environmental standards. Its Nigerian subsidiary knew that oil theft was frequent locally, but refused to install pipeline pressure sensing devices that could issue timely alarms in case of oil leaks to save costs. Eventually, a massive oil spill occurred due to oil theft by criminals, causing environmental pollution and damage to the health of local residents. Within enterprises, fulfilling corporate human rights responsibilities requires coordination and cooperation from top to bottom. Even if an enterprise responds to human rights governance and formulates sound policies, it cannot be effectively implemented if employees themselves do not attach importance to it and managers do not supervise it. However, salary increases and promotions are the underlying logic for the actions of enterprise employees and managers. Bounded rationality makes people only notice easily identifiable interests. As a "product" benefiting everyone in the enterprise, human rights provide sufficient motivation for free-riding. Only by overcoming this collective action dilemma, ensuring that enterprises work together, and practicing human rights requirements in the long term, can the original intention of fulfilling corporate human rights responsibilities be truly realized.

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Fourth, the insufficient supply of international human rights systems for transparency guarantees and protective security of exchange entitlements. At the level of internal institutional guarantees, the inherent division and structural contradictions in the global value order make it difficult to fully reach international human rights consensus. The transaction costs and information costs related to human rights actions are too high, and it is difficult to reach a consistent belief in human rights in cultural exchanges and social interactions. On the one hand, the Western-dominated concept of "natural human rights" places civil and political rights at an inalienable core position, while developing countries emphasize the primary value of the right to subsistence and development as basic human rights. This difference in philosophical foundations has led to the "universal standards" constructed by the Universal Declaration of Human Rights encountering multiple deconstructions in practice; on the other hand, international mechanisms such as the Human Rights Council have become arenas for geopolitical games. Some major powers implement selective concerns through country-specific resolutions and special procedures, alienating human rights issues into a diplomatic tool to interfere in the internal affairs of other countries. However, new governance concepts advocated by developing countries, such as "building a community with a shared future for mankind," have not yet been institutionally implemented, leading to global human rights governance falling into procedural idleness and weak implementation. In addition, in the specific rights spectrum, emerging digital human rights and climate justice demands have further exacerbated the consensus gap. The Global North has constructed a new form of data colonialism through technological monopoly, while the Global South is struggling to strive for the identity recognition of "climate refugees" in the survival crisis caused by climate change. The contradictions between algorithmic discrimination and the distribution of carbon emission rights have revealed the power imbalance in the evolution of the connotation of human rights. Human rights discourse itself is experiencing a deconstructive crisis: post-colonial theory criticizes the imperial shadow of Western human rights concepts, religious traditions' resistance to secular individualism continues to ferment, and the paradoxical phenomenon that both sides in hot wars such as the Russia-Ukraine conflict use "protecting human rights" as a reason for sending troops has completely exposed the trend of instrumentalization of the concept of human rights. In summary, when human rights degenerate from a moral consensus into a strategic resource, the exchange entitlement mapping of human rights is continuously weakened and cannot be guaranteed, further deteriorating the resource endowments and rights sets available for the realization of human rights.

5. Conclusion

The global human rights governance deficit is essentially caused by the impairment of the exchange entitlement mechanism of human rights. Under the constraint of resource scarcity, how to construct an efficient exchange entitlement mapping to ensure that the resource endowments and rights sets of human rights can maximize their effectiveness is the response to the dilemma of global human rights governance. As a theoretical framework for in-depth analysis of the relationship between socioeconomic structures and individual rights and interests, the exchange entitlement theory can guide the research on global human rights governance issues. This theory emphasizes that individuals or groups achieve social cooperation and optimal resource allocation through the exchange of rights and capabilities on the basis of fairness and voluntariness. Combining the instrumental freedom theory in the concept of development as freedom, we can examine the political rights exchange mechanism, economic resource exchange mechanism, social opportunity exchange mechanism of human rights in the global arena, as well as the institutional supply mechanism of transparency guarantees and protective security, which helps to clarify the rights boundaries and

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responsibility attribution of various subjects. Human rights are not only a kind of entitlement but also imply responsibilities. The exchange entitlement mechanism imperceptibly guides people to rationally express their demands within the social rule system, promotes the optimization of social structures and the improvement of governance capacity, and facilitates the rational allocation and efficient use of resources, thereby injecting strong impetus into the sustained prosperity and development of the international community.

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