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# Imprints

Thomas M. Scanlon

John Quiggin

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Interview

The Socialist Case for  
Public Ownership

Aristotle and Marx

Reviews White on  
Citizenship

Reviews Ehrenreich and  
Abrams on Low Wages

Reviews Wright on Class

egalitarian theory and practice

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# IMPRINTS

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*IMPRINTS* aims to promote a critical discussion of egalitarian and socialist ideas, freed from theoretical dogma but committed to the viability of an egalitarian and democratic politics, and open to the possibility of such politics at the international level. We take for granted that most societies in the world are characterised by class oppression, but that class division does not exhaust the unjust inequalities to which their peoples are subject.

Contributions are invited on topics such as the theory and practice of equality in domestic and global contexts, the theory of history, the normative foundations of social inquiry; and on social inequality, political practice, and institutional change. The criteria for the acceptance of papers include analytical power and empirical rigour; no school of thought or intellectual tradition is excluded, though we are committed to the view that the world remains a rationally intelligible place.

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Interview:

## Tolerance, Reasonableness, Contractualism, and International Justice: An Interview with Thomas M. Scanlon

*You started your academic life working in the area of mathematical logic. What brought you to moral and political philosophy? Who do you count as your most important influences?*

When I was an undergraduate at Princeton, I was interested mainly in logic and the philosophy of mathematics. I had at the time what you might call a quasi-positivist outlook, according to which moral and political philosophy were subjects about which there was not much of interest to be said. But in order to graduate I had to take two courses in this area, and the first one I took was a course in moral philosophy given by Jordan Howard Sobel, who had then just received his PhD from Michigan. The course dealt mainly with meta-ethics and with generalisation arguments, which had been the subject of Sobel's dissertation. It was a wonderful course (I still remember it well), and it

turned me on to the subject for life. I continued to be interested in both logic and in moral and political philosophy, and studied both of these at Oxford and at Harvard, where John Rawls had of course an important influence on my thinking. Later, while teaching at Princeton, I found that although I loved the techniques in the area of logic in which I had written my dissertation (proof theory), I had more ideas about moral and political philosophy, and I gradually shifted into working only in this field. During this period I had the good fortune to have a number of colleagues and friends working in moral, political, and legal philosophy, and I was much influenced by them, particularly by Tom Nagel.

*Your most recent book, *The Difficulty of Tolerance* (Cambridge: Cambridge University Press, 2003), collects papers written between 1972 and 2001. How do you conceive of the problem of toleration for liberals? Do you think of a concern with this problem as animating all the papers in this collection? In your view, what is the solution to this problem?*

There are many kinds of intolerance. In many cases it flows from attitudes (such as racism) which are themselves objectionable, and the solution to the problem is (at least ideally) to bring it about somehow that people do not have these attitudes. One of my aims in the essay you mention was to identify one source of intolerance that is not susceptible to this response, because it is a concern that is not itself objectionable. This is the concern with the way in which one's society develops – with the kinds of values, commitments and styles of life that are represented, or even dominant, in that society. Since this is a concern which all of us, even the purest of liberals, are strongly moved by, tolerance is a problem for liberals as well as for bigots and racists. The solution, insofar as there is one, is to have stable and widely accepted ground rules, which manage this conflict by specifying the ways in which individuals and groups can compete to influence the evolution of the society that they share. But there is no single clear answer to the question of what these ground rules should be. (This was the second main point of the article.) This leads to a complicated form of political conflict, dealing with issues of substance and issues of process at the same time. The rights that define a system of freedom of expression, which make up one part of the 'ground rules' I just mentioned, are the subject of a number of essays in this collection. But other essays deal with different topics. I couldn't think of a non-

boring title for the volume that would describe all of the essays in it. So I chose 'The Difficulty of Tolerance' because it did not seem boring (at least to me) and because it called attention to what I think is an important theme in a number of the essays. (It also went well with the photograph by Andreas Gursky, which I chose for the cover.)

*Do you believe that religions create special barriers to toleration?*

Any value or pursuit has the potential to serve as a bond of unity among those who are committed to it and as a source of division between them and others who are hostile or indifferent to this pursuit. This is true of pursuits such as golf, football, opera, hip-hop music, philosophy, and mathematical physics, as well as of religions. But different pursuits create different kinds of divides, depending on the values involved. In some cases, commitment to one pursuit need involve no idea that alternatives are inferior or should be disapproved of. When a pursuit involves a high level of education and refined taste or skill, however, it may be more difficult for those who appreciate and take part in it to avoid a sense of superiority over those who do not. And this may naturally be resented by the latter, who see this attitude as a form of elitism. These divisions need not create severe problems as long as the pursuits in question involve a limited aspect of life (a sport, hobby or intellectual interest) that people can choose to simply ignore. But some religions raise this problem in a particularly serious form. In many cases, the sense of purity and rectitude that a religion offers to its adherents carries with it an implicit or even explicit condemnation of non-adherents, and the message that their lives are morally corrupt. The adherents of such a religion thus have strong reason to want their society to be one in which their religion is dominant, rather than one that is largely composed of non-believers, whose corrupt lives constitute the social norm. Correspondingly, non-adherents have strong reason to resist this quest for dominance, since no one wants to live in a society in which most of their fellow citizens regard them as morally corrupt.

*In your much anticipated What We Owe to Each Other (Cambridge, Mass.: Harvard University Press, 1998) you give an explanation of the force of moral judgements in terms of their acceptability to reasonable persons motivated to justify their actions to one another in terms that no*

*reasonable person could reject. You undertook a similar project in a very influential earlier paper of ('Contractualism and Utilitarianism', Amartya Sen and Bernard Williams (eds), Utilitarianism and Beyond (Cambridge: Cambridge University Press, 1982). Could you first of all describe what you take to be the key differences between this earlier paper and the book, and why you thought it was necessary to modify your view?*

There are two main differences, both of which have to do with the question of 'moral motivation.' In 'Contractualism and Utilitarianism' I tried to avoid the question of whether there are 'external' reasons, that is to say, reasons for action that do not depend on the agent's desires. At the time that I wrote that article I believed that, although there are many cases in which an agent has a reason to do something only because it will satisfy some desire that he or she has, there are other reasons, including reasons to care about right and wrong, that do not depend on desires. But I did not want to get into this issue. So I characterised the source of moral motivation in terms of a desire to be able to justify one's actions to others, leaving aside the question of what reason, if any, people who lacked such a desire might have to care about right and wrong. As I worked on the book, I became convinced that this question could not be left aside, so I devoted quite a lot of time to studying the controversy over external reasons. After thinking about it, I was led, much to my surprise, to the conclusion, described in Chapter 1 of my book, that reasons for action almost never depend on desires. More generally, I came to believe that the idea of a reason is more basic than that of 'motivation' and that it is a mistake to view the problem I was addressing as 'the problem of moral motivation.' Rather, it is the question of what reason one has to do what morality requires. The second change in my thinking was that I came to believe that this question has no single answer, because what we commonly call 'morality' consists of a set of diverse values. In 'Contractualism and Utilitarianism' I described the view I was proposing as an account of 'the nature of morality.' But this now seemed to me a mistake. I believe that contractualism provides a good description of a central part of morality, concerned with obligations to others – hence the title of the book *What We Owe to Each Other*. But there are other matters, such as sexual conduct, industriousness, and ties to friends and family, which are commonly called moral but do not have this same normative basis. I

think that this question, of the degree of unity of the moral domain, and of the different understandings with which the term 'moral' is commonly used, is of some importance. These different understandings cause (or are exploited to cause) a certain amount of mischief in political discourse, for example, and it is therefore useful to bring this question out into the open as a topic for discussion.

*The account of goodness you give in What We Owe to Each Other makes no use of the idea that correct moral judgements reflect facts about the world. By expunging metaphysics from your account of what is involved in making a moral judgement, do you run the risk of making morality somehow less 'real' than other practices involving judgement, for example, scientific enquiry? At the very least, in making the normativity of moral judgements a product of their acceptability to persons motivated in certain ways, do you thereby leave us with nothing to say to the amoralist who is not so motivated? Or is the figure of the amoralist now a defunct bogey-man for moral philosophers?*

I am a cognitivist about normative discourse. That is to say, I think that statements about the reasons people have are 'truth apt,' and I take this same view of statements about right and wrong and statements about value, since I take these to be, at base, statements about reasons. Statements about reasons are not, however, reducible to statements about the physical world or about individuals' psychological states. If statements of these two kinds are the only statements that are 'about the world,' then statements about reasons are not 'about the world.' Some might say that this makes morality, and normative matters in general, 'less real.' But I do not see any reason to think that statements that are 'about the world' in this sense are the only statements that can be true and the objects of belief. (I discuss this question at greater length in my Presidential Address, 'Metaphysics and Morals,' in the *Proceedings of the American Philosophical Association*, 2003.) Turning now to moral judgements in particular (judgements about 'what we owe to each other'), on my view the claim that the fact that an act is wrong gives someone reason not to do it is doubly normative. First, the claim that an act is wrong is a claim about the reasons that someone who was concerned to find principles that others could not reasonably reject would have to reject a principle that permitted that act. So, second, the

claim that the wrongness of an action gives anyone a reason not to do it, is a claim about the reason-giving force of this normative fact about the reasons that people would have to reject certain principles. This second claim is a claim about the reasons that anyone has, not just people with a certain desire to justify their actions to others. (As I said in response to your question #4, this is one of the main differences between what I say in the book and in my earlier article.) As far as the amoralist is concerned, I believe that all one can do, in response to someone who claims not to care about whether his or her actions are right or wrong, is to try to describe what the relevant form of moral right and wrong amounts to in a way that makes clearer why this is something worth caring about. I do not think it is possible to construct a defence of morality that starts only from premises that absolutely anyone must accept, as long as he or she is not irrational or inconsistent.

*Throughout What We Owe to Each Other reference is made to people making mistakes (the fan, the inattentive listener to Beethoven, the person who fails to value other persons). What warrants the language of 'mistake' as against, say 'difference'? At times, it seems to be long-term intersubjective agreement, but can that be enough?*

As I indicate in Chapter 8 of my book (in discussing relativism), I am a pluralist about values, and I believe that there are some cases of apparent disagreement that are better described as cases in which people are responding to different values. But a claim that this is so in a given case, no less than a claim that these others are making a mistake, is a claim about what reasons people have. The difference is that the former is a claim that they *do* have reason to react as they do, whereas the charge of 'mistake' is a claim that they do not have reason to do this. So the question of whether a given case is one in which people are responding to different genuine values, or whether they are making a mistake, is a substantive question about the reasons people have. One might try to avoid ever charging that someone is mistaken about the reasons he or she has by taking the view that a person always has whatever reasons she thinks she has. But this is not a plausible view. One thing that makes it implausible is the constraint imposed by what I call the universality of reason judgments, which holds that if C is a reason for one person to do A then it is also a reason for another person to do A unless there is some relevant difference in their circumstances. This is a purely formal

constraint on reasons. It does not rule out any form of subjectivism, for example. But it does entail that if another person's thinking that she has a reason (perhaps after due consideration) makes it the case that she has that reason, then 'thinking makes it so' also in my own case as well. This conclusion is difficult to accept. I find it impossible to believe that what *makes* it the case that I have a reason is always just that I *think* that I do (or even that I think this after careful reflection.) It is true that the only way for me to *decide* whether something is a reason is to consider the matter carefully. But my deciding is not what makes it so. In order to decide whether a given claim about reasons (whether one's own claim or a claim made by someone else), one must arrive at a substantive judgment about the merits of this claim. Appeal to intersubjective agreement does not settle the matter. It is, however relevant in two ways. First, it is relevant evidence. If almost everyone thinks that something is a reason but I do not, I should consider carefully what they have in mind. I might well be making a mistake. Second, if there were no intersubjective agreement about reasons, if we all kept disagreeing and changing our minds, then this would lend support to the view that there is no substantive question we are addressing, and that it is just a matter of one's subjective momentary reactions. But, despite significant disagreement about reasons, things are not like that.

*In What We Owe to Each Other you make it clear that Rawls' difference principle is not designed for the same subject matter as the principles you discuss in that book. For that reason it is not applicable to considerations of what we owe each other, simpliciter. This seems to imply a methodology where different moral principles are relevant to different subject matters or areas of concern. What, on your view, justifies that division of the moral world into different subject matters, and how do we determine the considerations relevant to each subject matter as we meet it?*

Unlike Rawls, I see political philosophy (specifically, questions of justice) as a subdivision of moral philosophy rather than as a 'free standing' subject. This difference may not be as great as it appears, however, since I see justice as a subdivision of the part of morality dealing with 'what we owe to each other,' and hence independent of some of the moral ideals that make up what Rawls calls 'comprehensive

views.' Questions of justice are, in my view, questions about what we can demand of our political institutions, that is to say, what we can demand of our fellow citizens in the way of participation in, and contribution to, these institutions. The distinction I draw in my book between Rawls's Original Position and my version of contractualism has to do with the fact that it is plausible to claim that what we can demand of our institutions is measured in terms of primary social goods, but not plausible to claim that all of our moral obligations to one another have to do with the distribution of such goods. But this is a substantive difference in the content of different moral requirements, like that between, say, obligations arising from promises and duties to aid that do not depend on any prior agreement. It thus does not indicate a general partitioning of the moral domain.

*There is one article by you where you discuss questions touching on international justice ('Human Rights as a Neutral Concern'). The article is limited to discussing 'exportable' rights. Do you think, contra current cosmopolitan thought, that the same standards of moral appraisal do not apply universally across all societies? If so, how do you define a 'society' in the relevant sense?*

I am, at the most basic level, a moral universalist, although I do think that, within this universal moral framework there can be differences in the obligations people have in different societies due to different circumstances, different institutional arrangements, and so on. I discuss this in more detail in Chapter 8 of my book and will not try to repeat that here. The question of human rights, however, is not only a question of how governments should treat their citizens but *also* a question about how certain rights can be institutionalised in international understandings that set the bounds of outside intervention. This was the question I was discussing in that article, and that is why 'exportable' rights were the focus of my discussion.

*In your essay 'Value, Desire, and Quality of Life' you expressed scepticism about the plausibility of global principles of equality of well-being. Yet there has been increased interest in such principles (UN Development Report) and through philosophers writing about global justice. Do you still maintain your scepticism? How does your position differ from Rawls' view in this respect, as set out in his Law of Peoples?*

I believe that there are principles of international justice. I do not have a well worked-out position on this question, but I think that these principles may well go beyond what Rawls discusses in *The Law of Peoples*. I doubt, however, that what these principles require is equality of well-being. To take an example, the life expectancy for men in Malawi is 37.1 years, whereas for men in the United States it is 73.4. This is appalling, and calls out for action. But what is appalling, it seems to me, is the *level* of life expectancy in Malawi, not the inequality. The fact that men typically live longer in the United States is relevant mainly in indicating that men need not die so young, hence that the situation in Malawi is something that could be improved very significantly. There are other countries in which life expectancy is *higher* than in the United States. But, again, what is relevant about this fact is not the inequality but the question of whether we should be doing better than we are.

*You have worried over questions concerning freedom of expression for most of your professional life, and even planned to write a book on the subject at one point. Why did you abandon that project? And do you think that the revolution in information technology that the internet represents raises new issues for freedom of expression, perhaps warranting more regulation?*

In 1975, I set aside the project of writing a book about freedom of expression because I thought that what I had to contribute to the subject, as a philosopher, was mainly an understanding of the underlying moral ideas, and that I needed to work out what I thought about these matters – about rights, for example – before writing such a book. I have continued to write articles on freedom of expression, and I still might return to the project of writing a book about it. This would be a large undertaking, however. When I first started to work on it, in the late 1960's, there was comparatively little literature on the topic, particularly from a philosophical perspective. But an enormous amount has been written in the intervening years. So I would have to spend a lot of time just catching up. The internet is undoubtedly an important development as far as freedom of expression is concerned, but my immediate reaction is that it does not warrant more regulation. Rather, there are so many calls for regulation of one kind or another that what is called for is renewed arguments *against* regulation.

*What are you working on now?*

I have been working for several years on a paper on the relevance of intention to the permissibility of action. It keeps getting longer, and may be turning into a short book. I hope to finish it this year. I have also written several papers on practical reason, extending ideas from Chapter 1 of my book. These concern, in particular, the distinction between claims about the reasons that an agent has and claims about what an agent must see as a reason insofar as he or she is not irrational. This has come to seem to me to be an important distinction, and I hope to do more work on in the near future. I have also been doing quite a bit of teaching in political philosophy, some of it jointly with Joshua Cohen and Amartya Sen. This has been very stimulating and I hope to work more in this area.



Article:

# The Equity Premium and the Socialist Case for Public Ownership

John Quiggin

## Introduction

THE REPLACEMENT OF PRIVATE OWNERSHIP of capital by public ownership played a central role in socialist thought for most of the nineteenth and twentieth centuries. A typical instance is Clause IV of the constitution of the British Labour Party, which, until 1995, set out ‘common ownership of the means of production’ as the Party’s central objective. Most other labour and socialist parties adopted similar statements.

However, the issue of public ownership now plays a relatively minor role in socialist thought, and many now regard it as obsolete, or even antithetical to the achievement of socialist values (Hain 1995). On the other hand, as disillusionment with privatisation has grown, the case for public ownership has been reasserted (O’Donnell and Sawyer 1999).

A crucial issue in the debate is that of returns to capital invested in public enterprises. Socialist arguments for public ownership have generally been based on the claim that the return to private owners of capital is excessive, and that public ownership will allow returns to capital to be shared more equitably. By contrast, advocates of

privatisation have argued that public enterprises represent a burden on the public, since their returns are less than the opportunity cost of the capital invested in them.

In this paper, I argue that, for a large class of enterprises, the socialist case for public ownership is valid. The fact that the public sector faces a lower cost of capital than does the private sector provides the basis of a case for extensive public ownership, particularly of large-scale infrastructure such as roads and railways, telecommunications, electricity and water supply.

This argument is developed in relation to the economic debate surrounding the ‘equity premium’, that is, the difference between the rate of interest on low-risk public debt and the average rate of return demanded by holders of private equity. Over long periods the average real rate of return on equity in the United States has been between around seven per cent, while the average real rate of interest on US government bonds has been between one and two per cent (Mehra and Prescott 1985). This premium has been the subject of a long-running controversy in the economics profession.

The implications of the equity premium for the evaluation of public investment and the cost of capital for public enterprises have been examined by Grant and Quiggin (2003, 2004) and Quiggin (1999). Grant and Quiggin show that to the extent that the equity premium is generated by deviations from the ideal neoclassical model of complete, frictionless, costless capital markets, the cost of equity capital will exceed the social opportunity cost applicable to public enterprises. This difference is large and economically significant. Other things being equal, the cost of capital for a typical public sector enterprise will be around half that for a comparable private enterprise.

Because of the equity premium, privatisation will typically reduce the net worth of the public sector, that is, the difference between the value of public assets, including public enterprises, and public debt. Although government policy has been focused on reducing debt, net worth is the most relevant measure of the government’s fiscal position.

The paper is organised as follows. The first section is a brief summary of political support for public ownership and privatisation. Next, the prevalence of fiscal losses from privatisation is discussed. Subsequent sections deal with the desirable balance between public and private ownership, the relationship between the arguments presented here and

other socialist arguments for public ownership, and the implications of public ownership for income distribution and socialist values. Finally, some concluding comments are offered.

### The Politics of Public Ownership

Recent discussion of public ownership in the English-speaking countries has a paradoxical aspect. On the one hand, much public commentary takes it for granted that the advocates of privatisation have won the debate, and that the idea of expanded public ownership is outside the range of legitimate debate. On the other hand, there is little interest in proposals for further privatisation (as opposed to halfway houses such as public-private partnerships). For example, while the privatisation of postal services was widely considered, in the early 1990s, to be a logical corollary of the privatisation of telecommunications, it has now disappeared from the policy agenda in all the English-speaking countries.

This apparent contradiction is explained, in large measure, by a fact that is well-known, but not generally admissible in polite policy discussion. Privatisation is highly unpopular. Far from supporting privatisation, voters in the English-speaking countries have never accepted the privatisations of the past. Moreover, opposition to privatisation has grown over time.

Kelley and Sikora (2002) provide a time-series of evidence for Australia. In 1986, views on the privatisation of *Telecom* Australia were about evenly divided. By 2002, 70 per cent were opposed and only 16 per cent in favour. Similar views apply even to firms like the *Commonwealth Bank* and *Qantas* that have been privatised for years, and opposition is even stronger in the case of *Australia Post*, the only business in the study still in full public ownership.

Evidence from Britain is less systematic, but similar in its general tendency. Large majorities of respondents oppose privatisation of public services, including the Blair government's public-private partnership initiative for the *London Underground* (MORI 2000). An even larger majority rejects the last major privatisation initiative of the Conservative Party, the breakup and privatisation of *British Rail*, and supports renationalisation of *Railtrack* (Guardian 1999). More generally,

renationalisation is increasingly being considered as a response to failed privatisations, of which *British Rail* is a notable example.

In many ways, the position has turned full circle since the 1970s. At that time there was considerable public discontent with the performance of nationalised industries and the public sector in general, particularly in the United Kingdom, coupled with a widespread view that any radical change in the boundaries of the public and private sectors was unthinkable. As Cockett (1995) showed, however, free-market think-tanks such as the *Institute for Economic Affairs* were busy thinking the unthinkable, and the Thatcher government proceeded to turn these thoughts into reality. There is no reason to suppose that this process cannot be reversed.

### Fiscal Losses from Privatisation

Privatisation has been promoted as a policy option for governments seeking to improve their fiscal position. In reality, however, evidence from the United Kingdom, Australia and New Zealand suggests that privatisation of profitable government business enterprises has, in most cases, reduced the net worth of the public sector (Quiggin 1995; Walker and Walker 2000).

One reason that the fiscal loss from privatisation has not been discussed more generally is that much of the debate of this topic has been based on elementary accounting fallacies. Throughout the 1980s, it was common to treat the proceeds of privatisation as current government revenue that could be used to finance tax cuts or public expenditure. The Thatcher government was the worst offender in this respect. Unsustainable tax cuts financed out of asset sales in the 1980s contributed to the large budget deficits of the early 1990s. From a spurious budget surplus of 8.7 billion pounds in 1987, the budget balance deteriorated to a deficit of nearly 40 billion pounds in the early 1990s (<http://www.statistics.gov.uk/statbase/TSDdownload2.asp>).

A closely related error has been to discuss reductions in public debt achieved through privatisation, without considering the corresponding reduction in assets. This error has persisted. A recent example is a comparison of debt reduction under Labour and Conservative governments produced by the *Centre for Policy Studies* (Marsden 2004).

The correct basis for an analysis of the fiscal impact of privatisation is a comparison between the price at which a public enterprise can be sold and the present value of the flow of earnings that would be generated by the enterprise under continued public ownership.<sup>1</sup> This comparison may also be expressed in flow terms, as a comparison between annual earnings foregone through privatisation and the interest savings arising when the proceeds of privatisation are used to repay debt.

In most cases, the income foregone from privatisation exceeds the interest saved, resulting in a net fiscal loss. An extreme example was the Thatcher government's 1985 sale, by public float, of half of the public holding in *British Telecom* (BT), analyzed by Quiggin (1995). Net proceeds from the sale of the first 50 per cent of BT were about 3.65 billion pounds.

In 1984-85, BT had a gross operating surplus of about 3 billion pounds and interest liabilities of 0.5 billion pounds, implying a net post-tax profit of around 2 billion pounds, or 1 billion pounds for the 50 per share holding that was sold. The real bond rate at the time was around 5 per cent. Hence, the income flow from BT could have serviced public debt of 20 billion pounds. Thus, the British public incurred a loss of more than 15 billion pounds on this transaction.

The loss was partly due to deliberate under-pricing. This was reflected in the fact that the share price nearly doubled on the first day of trading. However, even if the shares had been sold at market value, the loss (that is, the difference between the sale proceeds and the debt that could be serviced by BT earnings) would have been around 10 billion pounds. Quiggin (1995) presents a number of similar examples from Australia and New Zealand. Further evidence is presented by Walker and Walker (2000).

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<sup>1</sup> For a complete analysis of the welfare effects of privatisation, it is necessary to take account of the effects of privatisation on workers, consumers and the public at large. In most cases, privatisation makes workers worse off. Effects on consumers are more mixed, but are rarely significant. It follows that, if governments are worse off in fiscal terms as a result of privatisation, society as a whole is usually worse off as well.

Only on rare occasions has the sale of public assets in sectors like telecommunications and electricity been profitable for governments. During the 'dotcom' mania, share prices were wildly inflated, to the point where sales of some public assets, particularly those related to the Internet and mobile telephony, were profitable. Similarly, during the deregulation of the early 1990s, US electric utilities pursued international expansion aggressively, paying high prices for assets that subsequently proved unjustified in commercial terms. For example, a number of Victorian electricity distribution and generation enterprises, were bought by US utilities and subsequently resold at markedly reduced prices. It is only in exceptional circumstances like this that the privatisation of profitable government infrastructure enterprises, run on a commercial basis, is likely to improve the fiscal position of governments.

Fiscal losses from privatisation occur primarily as a result of the equity premium, that is, the difference between the rate of return expected by investors in private equity and the rate of interest on government.<sup>2</sup> Estimates of the equity premium vary from four to eight percentage points. For illustrative purposes, suppose that the real rate of interest on government bonds is four per cent and the real rate of return on equity is ten per cent, so that the equity premium is six percentage points.

Now consider the privatisation of a publicly-owned firm. Suppose, that privatisation will not change the profitability of the firm, and that the proceeds of the sale will be used to repay government debt. For concreteness, suppose the firm will earn 100 million pounds per year. Given a required rate of return of 8 per cent, the market value of the firm will be 1 billion pounds. When this sum is used to repay debt, bearing an interest rate of 4 per cent, the resulting saving in interest will be 40 million pounds per year. In net terms, the public is worse off by 60 million pounds per year.

Exactly the opposite calculation applies in relation to nationalisation. If nationalised and privatised firms are equally profitable, governments

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<sup>2</sup> Other factors, such as politically motivated under-pricing are relevant in some cases, including that of *British Telecom*.

can issue debt to finance nationalisation, and receive profits more than sufficient to service the debt.

This argument does not depend on the relative size of governments and capital markets. The greater capacity of government to spread risk arises from taxation power, which also facilitates borrowing and lending to smooth consumption over time.

### **The Optimal Extent of Public Ownership**

Arguments based on the fact that the public sector faces a lower cost of capital than the private sector do not yield a case for comprehensive public ownership. It is important also to consider the relative efficiency of public and private operation.

The existence of a lower cost of capital for the public sector implies that nationalisation is likely to improve the fiscal position of the state in the long term if the enterprises in question can be operated, equally profitably, by the public and private sectors. The main category of such enterprises involves the provision of public infrastructure such as roads, railways, electricity and telecommunications networks. In addition, the lower cost of capital reinforces the case for public ownership of natural monopolies requiring close regulation and for public provision of not-for-profit services such as health and education.

On the other hand, comparisons between public and private costs of, and returns to, capital show that comprehensive public ownership is undesirable. There are large areas of the economy, such as agriculture and retail trade, where public enterprises have rarely operated at a profit. Clearly no fiscal benefit can arise from public ownership of a loss-making enterprise. Relatively modest reductions in profitability arising from the constraints associated with public ownership are sufficient to offset the benefits of a lower cost of capital.

In particular, arguments about the cost of equity capital are irrelevant for small unincorporated businesses, where there is no reliance on external equity. Such small businesses typically face a high cost of external capital, relying primarily on bank loans. However, the higher cost of capital for small businesses, relative to both government enterprises and large private corporations, is offset by the efficiency advantages of combining ownership and control.

The optimal form of economic organisation is a mixed economy, with public ownership of capital-intensive infrastructure enterprises and private ownership in more competitive sectors of the economy. This is, perhaps, not a surprising conclusion, being little more than a restatement of the conventional wisdom that prevailed for much of the period after World War II. Nevertheless, it is inconsistent with the neo-liberal ideas that have been dominant since the economic crisis of the 1970s. In the neo-liberal framework, the superiority of the private sector and the persistence of large-scale public sector provision of goods and services are assumed to be the result of unjustified political resistance to market-oriented reform.

### **Relationship to Older Socialist Arguments for Public Ownership**

The argument presented above has been developed within the framework of neo-classical economics. It bears no relation to classical arguments about surplus value and exploitation, most obviously those of Marx.

There is similarly little connection with romantic criticism of capitalism, summarised in slogans like 'production for people not profits'. The claim that public ownership of enterprises can raise the net worth of the public sector presupposes that such enterprises are operated at a profit. As will be argued below, because of their lower cost of capital, public enterprises can adopt more socially desirable policies, with respect to employment, the environment and so on, than their privately-owned counterparts, while remaining profitable. But this is a difference of degree rather than kind.

On the other hand, arguments based on the cost of capital fit quite well with the Fabian socialist tradition, with its emphasis on the practical benefits of public (notably municipal) ownership. In particular, such arguments are consistent with proposals from Fabians, such as Shaw (1891), to finance nationalisation through the issue of government bonds to the former owners. As Shaw notes, such proposals are only feasible if the returns from public ownership exceed the interest payable on bonds.

### Fiscal and Income Distributional Effects of Public Ownership

The fiscal benefits of public sector capital ownership, or conversely, the costs of inappropriate privatisation, can be significant, considered in relation to annual budgets. On the other hand, these costs and benefits, considered as annual flows, are modest in relation to aggregate national income. As an illustration, suppose that the public sector capital stock is equal to one hundred per cent of annual national income, that the real cost of capital to the public sector is four per cent and that the private cost of capital is eight per cent. Then the benefit associated with public ownership is equal to four per cent of national income. This is not trivial, but clearly not the basis for a fundamental transformation of society.

A more substantive concern is the effect of public ownership on the distribution of income. The equity premium is the price paid to those with the willingness and capacity to hold private equity, and bear the associated risks. Despite increases in the proportion of the population who own shares, directly or indirectly, the overwhelming majority of corporate equity is owned by a small fraction of the population. In addition to capital income, it is necessary to consider rents accruing to senior managers. Because of the increasing use of options and stock grants, managers commonly acquire large holdings of equity in the companies they control. Given high average rates of return to equity, and large payments to senior managers, this concentration of ownership is self-sustaining and self-reinforcing. In the absence of government intervention, inequality in income and wealth tends to grow over time. The reduction in inequality that took place in the mixed-economy period from World War II to the 1970s has been almost entirely reversed in the United States, since 1980, and partly reversed in the United Kingdom and New Zealand.

Other things being equal, higher levels of public ownership imply a smaller equity premium, and therefore a redistribution of income away from the owners of private equity. In dynamic terms, public ownership of assets with high rates of returns provides a basis for growth in public sector revenue, considered as a share of aggregate income.

### Public Ownership and Socialist Values

As has been shown above, for enterprises involving either large, systematic, long-term risk or requirements for extensive regulation, the cost of capital is likely to be lower under public than under private ownership. This reduction in the cost of capital implies the desirability, on economic grounds, of a mixed economy, with substantial public ownership of productive enterprise. It might be argued, though, that the use of public ownership to achieve a more efficient distribution of risk is a purely fiscal policy, with little or no relevance to the broader goals of socialism.<sup>3</sup>

Clearly, the case for public ownership presented above does not go far towards resuscitating romantic hopes that the elimination of private ownership would end exploitation in relationships between workers and managers, or would ensure that enterprises acted in the interests of the social good rather than for private profit. Similarly, the existence of a lower cost of capital for the public sector does not imply that control of the 'commanding heights' of the economy is a sufficient basis for comprehensive economic planning to ensure a just and rational use of social resources.

Nevertheless, there are substantial reasons for socialists and social democrats to favour a substantial amount of public ownership, over and above the claim that it can improve the fiscal position of governments.

All of these arguments have a broadly similar structure. Public ownership is desirable if, when firms are regulated in an optimal fashion, the value of the firm is greater under public ownership. But if this is true, the trade-off between profitability and socially desirable regulation will, in general, be more favorable for the public firm. This in turn implies that regulation should push a publicly-owned firm further in the direction of socially-desirable behaviour than would be the case under private ownership.

As an example, consider issues relating to employment conditions and the distribution of income. It is not, in general, desirable that public

<sup>3</sup> Very similar arguments can be, and have been, made against Marxian 'scientific socialism' in which concepts like 'exploitation' and 'alienation' are stripped of any moral content and become technical terms in a theory of economic value.

sector employees should have radically different conditions of employment from those of private sector employees engaged in similar work. For example, if guaranteed lifetime employment is appropriate for public sector employees, similar protection ought to be extended to those in the private sector.

Nevertheless, there are still important ways in which public enterprises might be expected to differ from those in the private sector. For example, public enterprises could reasonably be expected to adhere more rigorously to principles of equal opportunity than private firms. If, as is generally argued by their proponents, such principles are beneficial in the long-term, their adoption in the public sector is likely to have positive demonstration effects.

This point is important in relation to arguments about equality raised by Cavanagh (2002). The core of Cavanagh's argument is that there should be a presumption against interfering with the rights of employers to make their own choices about who they should employ. But Cavanagh's argument rests implicitly on the assumption of an economy in which private ownership is entirely dominant; so dominant that Cavanagh never explicitly considers the applicability of his arguments to public employment.

Given a general policy of support for more equal opportunity, and opposition to discrimination, there is no rights-based reason to allow the manager of a public enterprise to deviate from that policy. The public sector manager is simply an agent, with no personal rights of the kind that are supposed to arise from ownership, or to be delegated by the owners of private firms to the managers they employ. Hence, the extension of public ownership is likely to assist in the assertion of social control over employment conditions in the pursuit of objectives such as equality of opportunity and the protection of union rights.

Similar arguments can be applied in relation to a range of issues including compliance with tax laws, adoption of environmentally sustainable policies and so on. The replacement of private by public ownership of business enterprises does not allow the adoption of a utopian approach, such as that commonly summed up by slogans like 'people not profit'. Public enterprises need to yield a return on the capital invested in them, even if the required rate of return is not as high as for a comparable private firm. But a public enterprise can nevertheless

be expected to display more concern for people and less for profit, particularly short-term profit, than a similar privately-owned enterprise.<sup>4</sup>

### Concluding Comments

Privatisation was the emblematic policy initiative of the reaction against socialism and social democracy in the 1980s. Conversely, arguments for public ownership of business enterprises have been downplayed or abandoned by many on the Left. In effect, large sections of the Left have conceded defeat on this critical issue.

The analysis presented in this paper suggests that this concession was premature. Public ownership of a range of large-scale infrastructure enterprises can increase the net wealth of the public sector and facilitate the achievement of social and environmental objectives. Moreover, despite being treated as unthinkable in most policy discussion, public ownership retains strong public support, and this support has been enhanced by the failure of privatisation.

The time is now ripe for a reassertion of the case for public ownership, beginning with advocacy of re-nationalisation as the preferred policy response in cases where privatisation has failed, as in the case of *British Rail*. More generally, it is time to advance once again the case for a mixed economy, with a substantial role for publicly owned enterprises and public provision of essential services.

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<sup>4</sup> Of course, this will not happen automatically. There are plenty of examples of public enterprises behaving in a socially irresponsible fashion, engaging in environmental vandalism, behaving callously to workers and customers and so on. Nevertheless, it is easier to encourage a belief in social responsibility in an enterprise where governments both select management and set the operating rules than in a private firm answerable to a constantly-changing and largely anonymous group of shareholders.

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Article:

## Whose Aristotle? Which Marx? Ethics, Law and Justice in Aristotle and in Marx

Tony Burns

IN WHAT FOLLOWS I shall agree with a number of commentators and simply assume without further argument that there is indeed an ethic to be found in Marx's writings, that it makes sense to talk about an 'ethical Marxism'.<sup>1</sup> I shall also assume without further argument that Marx's ethics is in some sense Aristotelian.<sup>2</sup> As yet, however, the issue

<sup>1</sup> See Lawrence Wilde, *Ethical Marxism and its Radical Critics* (London: Palgrave, 1998); and Lawrence Wilde (ed), *Marxism's Ethical Thinkers* (London: Macmillan, 2001).

<sup>2</sup> See especially the contributions to G. E. McCarthy, (ed), *Marx and Aristotle: Nineteenth Century German Social Theory and Classical Antiquity* (Maryland: Rowman and Littlefield, 1992); also G. E. McCarthy, 'Karl Marx, Athenian Democracy and the Critique of Political Economy', *Classical Horizons: The Origins of Sociology in Ancient Greece* (New York: SUNY Press, 2003), pp.15-63; G. E. McCarthy, *Marx and the Ancients: Classical Ethics, Social Justice and Nineteenth Century Political Economy* (Maryland: Rowman and Littlefield, 1990); G. E. McCarthy, 'German Social Ethics and the Return of Greek Philosophy: Marx

of the specific nature of Marx's ethical Aristotelianism has received relatively little discussion.<sup>3</sup> One reason why it is difficult to establish Marx's relationship to Aristotle is because Aristotle's ethics can be interpreted in different ways. The structure of my argument is a simple one. I shall begin by discussing the ethical doctrine of Aristotle, considered independently of the relation between Aristotle and Marx. In section one I will consider three possible interpretations of Aristotle's ethical thought, namely (1) John Rawls's view that Aristotle is a nonutilitarian consequentialist, whose ethical thought is emphatically anti-deontological. (2) Alasdair MacIntyre's view that Aristotle subscribes to a particular type of virtue ethics. And (3) Fred Miller jnr's view that Aristotle is an ethical deontologist who is best located within the natural law tradition. There is evidence to support each of these interpretations. However, I shall argue that it is Miller's reading which best captures Aristotle's approach to ethics.<sup>4</sup> Having discussed the ethical doctrines of Aristotle I will turn, in section two, to consider the relationship between Aristotle and Marx. I will attempt to show that how we read Marx's relationship to Aristotle depends on our understanding of Aristotle's ethical thought. I shall argue that so far as ethical judgements are concerned, whenever he made them, Marx's attitude is not that of a nonutilitarian consequentialist, or of an advocate of virtue ethics in MacIntyre's sense, but of someone who subscribes to a deontological approach to ethics. It is primarily for this reason, therefore, that Marx's ethical beliefs are similar to those of Aristotle

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and Aristotle', in B. Jessop (ed), *Karl Marx's Social and Political Thought: Critical Assessments*, First Series (London: Routledge, 1990), Vol. 4, pp.347-69; L. Wilde, 'Marx and Justice Revisited: The Greek Dimension', *Studies in Marxism* 5 (1998), pp.93-113; and the references provided in fn. 47 below.

<sup>3</sup> For other aspects of Marx's Aristotelianism see S. Meikle, *Essentialism in the Thought of Karl Marx* (London: Duckworth, 1985); J. Pike, *From Aristotle to Marx: Aristotelianism in Marxist Social Ontology* (Aldershot: Ashgate, 1999).

<sup>4</sup> I discuss Miller's interpretation of Aristotle in Tony Burns, 'Aristotle', in D. Boucher & P.Kelly (eds.), *Political Thinkers: From Socrates to the Present* (Oxford: Oxford University Press, 2002), pp.83-8.

### 1. Whose Aristotle? Rawls, Aristotle and Nonutilitarian Consequentialism

In his *A Theory of Justice*, John Rawls rightly points out that ethical consequentialism is usually associated with utilitarianism and its principle that one ought always to seek to promote 'the greatest happiness of the greatest number'. According to Rawls, ethical consequentialists assert that whether a particular action is right or wrong, in any given situation, depends solely on the 'goodness' or 'badness' of its consequences.<sup>5</sup> From this point of view, he says, 'the good is defined independently from the right, and then the right is defined as that which maximizes the good'.<sup>6</sup> It is not difficult to see how this approach to ethics might be extended so that it applies, not just to the actions of individuals, but also to our evaluation of social institutions. An important aspect of classical utilitarianism is its attitude towards problems of justice, especially (but not only) distributive justice. As Rawls points out, classical utilitarianism has an aggregative approach. It states that a greater amount of happiness or the good is morally preferable to a lesser amount. As is well known, classical utilitarianism has little interest in the question of how a given quantity of happiness ought to be distributed between the individuals and groups who inhabit a particular society. Indeed, the conceptual apparatus associated with utilitarianism is quite unable to cope with this issue. This is one of the fundamental weaknesses of utilitarianism, a weakness which J. S. Mill

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<sup>5</sup> J. Rawls, *A Theory of Justice*, revised edition (Oxford: Oxford University Press, 1999 [1971]), pp.21-2, 26-7; see also Sir David Ross, *The Right and the Good* (Oxford: Clarendon Press, 1930), esp.pp.4-6, 155-6; P.Kain, *Marx and Ethics* (Oxford: Clarendon Press, 1991), p.6 and R. Peffer, *Marxism, Morality and Social Justice* (Princeton: Princeton University Press, 1990), pp.80-4. See also S. Darwall (ed), *Consequentialism* (Oxford: Blackwell, 2002).

<sup>6</sup> Rawls, *A Theory of Justice*, p.22.



attempted to address,<sup>7</sup> and the importance of which is emphasised by Rawls in his own theory of justice.<sup>8</sup>

Rawls say relatively little about Aristotle in *A Theory of Justice*. It is clear from what he does say there, however, that he considers Aristotle to be a non-utilitarian consequentialist.<sup>9</sup> Rawls claims, therefore, that like the doctrine of utilitarianism Aristotle's ethical thought prioritises the concept of the good over that of the right. It must be conceded that, although Rawls does not himself provide it, there is at least some evidence to support this view. There are at least some similarities between Aristotle's ethics and utilitarianism, especially J. S. Mill's version of that doctrine.<sup>10</sup> For example, in the *Nicomachean Ethics* Aristotle states that all human activity is thought to aim at some good and that 'the good has rightly been declared to be that at which all things aim'.<sup>11</sup> And in the *Politics* he claims that 'in all sciences and arts' the end is and ought to be, not only some good, but 'the greatest good' for

<sup>7</sup> J. S. Mill, 'On the Connection Between Justice and Utility', *Utilitarianism*, in J. S. Mill, *Utilitarianism, On Liberty and Considerations on Representative Government*, ed. H. B. Acton (London: Dent, 1972), Chapter 5, pp.38-60. See also W. Frankena, 'Utilitarianism and Justice', Ch. 3 of *Ethics* (Englewood Cliffs: Prentice Hall, 1963), pp.29-46.

<sup>8</sup> Rawls, *A Theory of Justice*, p.23-8.

<sup>9</sup> The term 'nonutilitarian consequentialist' is not used by Rawls, who describes Aristotle's ethical thought as a form of 'perfectionism'. See *A Theory of Justice*, pp.22, 285-92. I prefer not to employ the term 'perfectionism' in this context because it is too vague in meaning. In my view, all three of the interpretations of Aristotle discussed in this paper might be said to be in some sense 'perfectionist'. For reasons which I cannot go into here, I also think there are problems with Rawls characterization of Aristotle's ethics as being 'teleological' rather than 'consequentialist'. See *A Theory of Justice*, pp.21-2.

<sup>10</sup> Mill, *Utilitarianism*, pp.8-9, 117, 120-1, 125.

<sup>11</sup> Aristotle, *Nicomachean Ethics*, trans W. D. Ross, revised by J. O. Urmson, in J. Barnes ed., *The Collected Works of Aristotle*, the revised Oxford translation, in 2 volumes (Princeton NJ: Princeton University Press, 1995 [1984]), Book I, Chapter 1, 1094a1-5, Vol. 2, p.1729.

the citizens of a *polis*.<sup>12</sup> He also states in the *Ethics* that the good which is pursued by all human beings is best characterized by the Greek word *eudaimonia*. A great deal turns on how this Greek word is translated into English, and this has been the source of much controversy. However, from Rawls's point of view, there is nothing wrong with the use of the word 'happiness' in this context. Indeed, this is the most common translation of *eudaimonia*. Thus, for example, one of Aristotle's claims in the *Ethics* is that 'the highest of all goods achievable by action' is happiness. As Aristotle himself puts it, 'both the general run of men and people of superior refinement' say that this good 'is happiness, and identify living well and fairing well with being happy'.<sup>13</sup>

According to Rawls, it is in their answers to the question what is it that makes human beings 'happy' or 'truly happy'? that the most significant difference between Aristotle's ethical thought and classical Benthamite utilitarianism is to be found. These two doctrines are similar to one another in that, being consequentialist, they each define the right by reference to the notion of the good. They are different, Rawls suggests, because of 'how the conception of the good', or the nature of the good life, 'is specified' within them.<sup>14</sup> Like J. S. Mill, Aristotle has a more elevated view of human nature than that of classical utilitarianism. Consequently, he emphasises the differences which exist between human beings and other biological species, especially the difference between the 'happiness' which is sought by human beings and the 'pleasure' which is sought by other animals. In his view, as is well known, man is a rational animal.<sup>15</sup> What this means primarily is that man is an ethical animal, a being who is by nature destined to live a life of morality or justice.<sup>16</sup> Aristotle maintains, then, that it is only an ethical life, a life devoted to the pursuit of justice, which is to be associated with true happiness for human beings. From Rawls's point of view, it is

<sup>12</sup> Aristotle, *Politics*, trans. B. Jowett, *Collected Works*, Vol. 2, Book III, Chapter 12, 1282b10-20, p.2035.

<sup>13</sup> Aristotle, *Nicomachean Ethics*, I, 4, 1095b10-20, 2, p.1730.

<sup>14</sup> Rawls, *A Theory of Justice*, p.22.

<sup>15</sup> Aristotle, *Nicomachean Ethics*, I, 7, 1097b20-30, 1098a1-15, p.1735. See also Aristotle, *Politics*, III, 16, 1287a25-35, p.2042; VII, 13, 1332b1-10, p.2114; VII, 14, 1334a15-25, p.2115; VII, 15, 1334b5-30, p.2117.

<sup>16</sup> Aristotle, *Politics*, I, 2, 1253a5-20, p.1988; I, 2, 1253a30-40, p.1988.

primarily for this reason that Aristotle's *eudaimonism* is different from classical utilitarianism. And it is for this reason that Aristotle's ethics, as Rawls understands it, may be said to be a form of nonutilitarian consequentialism.

It might be thought that because Aristotle's ethics attaches so much importance to the relationship which exists between justice and true happiness, and because a consideration of questions of justice is alien to classical utilitarianism, which is the paradigm of a consequentialist doctrine, this is a decisive difference between Aristotelian ethics and utilitarianism, a difference which casts doubt on the claim that Aristotle is an ethical consequentialist. However, from Rawls's point of view, Aristotle does not think that a life of justice and just social institutions are of value for their own sake. Rather, these things ought to be pursued only because they are associated with the good which is 'happiness'. Despite its emphasis on the importance of justice then, on Rawls's reading Aristotle's ethical thought remains a consequentialist doctrine in which the right is defined by reference to the good, and not *vice versa*. Rawls reaffirms his commitment to this reading of Aristotle thirty years later, in his *Lectures on the History of Moral Philosophy*, when he maintains that the central thrust of Aristotle's ethics is the assertion 'not that we should sacrifice our own good to the claims of justice' but, rather, that 'we lose our own good if we reject those claims'.<sup>17</sup>

In the *Ethics* Aristotle is interested in those actions which are associated with *eudaimonia*. It would, however, be a mistake to assume, as Rawls does, that Aristotle thinks that the consequence of either promoting or not promoting *eudaimonia* is what actually constitutes the rightness or wrongness, or the justice and injustice, of actions. Nor does Aristotle think that the concept of rightness depends logically on that of goodness. As Michael Slote has noted, Aristotle has a different criterion for assessing the rightness and wrongness, the justice and injustice, of both individual actions and social institutions.<sup>18</sup> Aristotle's claim, rather,

<sup>17</sup>John Rawls, *Lectures on the History of Moral Philosophy*, ed. Barbara Herman (Cambridge Mass: Harvard University Press, 2002), p.4.

<sup>18</sup>M. Slote, *From Morality to Virtue* (New York: Oxford University Press, 1992), p.89.

is simply that human beings only achieve *eudaimonia*, or 'completeness', when they live an ethical life, a life of justice. It is arguable that it is misleading to translate Aristotle's *eudaimonia* by using the term 'happiness', or by similar terms such as 'fulfilment' or 'flourishing'. Indeed, even the terms 'self-realization' and 'perfection' are inaccurate in this context, unless their meaning is clarified. The point here is that for Aristotle we could only properly be said to become human beings at all, in the strict sense of the term, if we live an ethical life, or a life devoted to justice for its own sake. As J. L. Mackie has rightly suggested, Aristotle maintains that for human beings *eudaimonia* is 'intrinsically desirable'.<sup>19</sup>

#### *MacIntyre, Aristotle and virtue ethics*

Much of the *Nicomachean Ethics* is devoted to a discussion of the different virtues, and of the psychology of morals. So much so, that Aristotle is often considered to be exclusively an advocate of what today is referred to as 'virtue ethics'. There has been a revival of interest in this aspect of Aristotle's philosophy in recent years, associated especially with the works of Alasdair MacIntyre.<sup>20</sup> MacIntyre suggests that a return to Aristotelianism would be a remedy for the weaknesses of the approaches to ethics and politics adopted by 'modern' moral philosophers, especially since the eighteenth century.<sup>21</sup> In his view, the hallmark of Aristotle's virtue ethics is that it attaches no importance to moral rules, as opposed to character, as determinants of ethical

<sup>19</sup>Cf. J. L. Mackie, 'The Subjectivity of Values', in Geoffrey Sayre-McCord (ed), *Essays on Moral Realism* (Ithaca: Cornell University Press, 1988), p.106; see also Aristotle, *Nicomachean Ethics*, I, 7, 1097a25-35, p.1734; 1097b,1-10, p.1734.

<sup>20</sup>A. MacIntyre, *After Virtue: A Study in Moral Theory*, 2<sup>nd</sup> ed, 10<sup>th</sup> impression (London: Duckworth, 2000 [1981]); A. MacIntyre, *Whose Justice? Which Rationality?* (London: Duckworth, 1988); A. MacIntyre, *Three Rival Versions of Moral Enquiry: Encyclopaedia, Genealogy and Tradition* (London: Duckworth, 1990). See also, John McDowell, 'Virtue and Reason', *The Monist* 62 (1979), pp.331-50. For virtue ethics generally see R. Crisp and M. Slote (eds.) *Virtue Ethics* (Oxford: Oxford University Press, 1997); S. Darwall (ed), *Virtue Ethics* (Oxford: Blackwell, 2002); R. Hursthouse, *On Virtue Ethics* (Oxford: Oxford University Press, 1999); and D. Statman (ed), *Virtue Ethics: A Critical Reader* (Edinburgh: Edinburgh University Press, 1997).

<sup>21</sup>MacIntyre, *After Virtue*, p.118.

conduct.<sup>22</sup> The modern 'preoccupation with rules', MacIntyre insists, is an indication of the fact that moral philosophers today adopt a decidedly 'un-Aristotelian' approach to ethics.<sup>23</sup> MacIntyre alleges that for Aristotle it is not moral rules but character and the moral virtues which 'have the central place'.<sup>24</sup> He also claims that for Aristotle justice is 'definable independently of and antecedently to the establishment of enforceable rules'.<sup>25</sup> It is because of the absence in virtue ethics of the idea that ethics has to do with rules that its exponents believe that it represents a radical departure from the other approaches to ethics that have been so influential in the modern era, especially Kantian ethics and utilitarianism. For adherents of this approach, ethics is all about having a virtuous character, or creating a society in which people will have such a character, rather than about individuals concerning themselves with questions of right and wrong, or with laws, duties and obligations.

Despite MacIntyre's claim that virtue ethics is quite different from the moral philosophy of Kant, it is arguable, as R. B. Louden has noted,<sup>26</sup> that there is in fact a striking similarity between the virtue ethics interpretation of Aristotle and one particular interpretation of Kantian ethics, namely that of Hegel.<sup>27</sup> To employ the terminology of modern moral philosophy, as Hegel interprets it Kant's moral philosophy is both 'subjectivist' and 'non cognitivist'. It is subjectivist because with its

<sup>22</sup>For the contested question of whether Aristotle subscribes to a virtue ethics in the specific sense in which MacIntyre understands this term see, R. Crisp, 'Introduction' to Aristotle, *Nicomachean Ethics* (Cambridge: Cambridge University Press, 2000), pp.vii-xxxv; P. Simpson, 'Contemporary Virtue Ethics and Aristotle', in Statman (ed), *Virtue Ethics: A Critical Reader*, pp.245-59; G. X. Santas, 'Does Aristotle Have a Virtue Ethics?', in Statman (ed), *Virtue Ethics: A Critical Reader*, pp.260-85.

<sup>23</sup>MacIntyre, *After Virtue*, p.151.

<sup>24</sup>MacIntyre, *After Virtue*, p.257.

<sup>25</sup>MacIntyre, *Whose Justice? Which Rationality?*, pp.39, 116.

<sup>26</sup>R. B. Louden, 'Some Vices of Virtue Ethics', in Statman ed, *Virtue Ethics: A Critical Reader*, pp.189-90.

<sup>27</sup>G. W. F. Hegel, *Elements of the Philosophy of Right*, trans. H. B. Nisbet, ed. A. Wood (Cambridge: Cambridge University Press, 1991), pp.48-9, 58, 149-50, 162-5, 170-84.

focus on the idea that the only thing of moral value is the 'good will' of the individual moral agent,<sup>28</sup> Kant's doctrine, Hegel alleges, concedes that there are no objectively valid substantive moral rules which all moral agents are obliged to follow in the same way no matter what the circumstances. It is arguably 'non cognitivist' because in consequence, Hegel insists, Kant does not allow for the possibility that agents might possess any substantive moral 'knowledge', in addition to the knowledge which they have of the Categorical Imperative itself, which is a purely formal moral principle. It is clear from this that, as interpreted by Hegel, Kant's moral philosophy is strikingly similar to MacIntyre's 'virtue ethics'. Given this similarity between MacIntyre's reading of Aristotle and Hegel's reading of Kant, it is not too surprising that a number of commentators have claimed recently that there is an hitherto unrecognised affinity between Aristotle and Kant, two thinkers whose views on ethics have often been thought to be opposed to one another.<sup>29</sup> According to this recent re-reading of the relationship between Aristotle and Kant, each of these thinkers attaches exclusive importance to the role of moral character and motivation in ethics – or to the notion of virtue understood in terms of the concept of a morally good will. Neither thinker, therefore, is committed to the idea that ethical life has to do with the conformity of an agent's actions to any objective ethical duties or substantive moral rules forbidding actions which are assumed to be intrinsically wrong or unjust.

However, it is arguable that the claim made by the advocates of the 'virtue ethics' interpretation that Aristotle thinks of ethical life as having to do solely with character or motivation is mistaken. For although Aristotle's ethical thought does attach importance to such things it also attaches importance to the idea that some actions are right or wrong, just or unjust, considered independently, not just of their consequences, but

<sup>28</sup>I. Kant, *Grounding for the Metaphysics of Morals*, trans. J. W. Ellington (Indianapolis: Hackett, 1993), pp.7-8.

<sup>29</sup>For this see Crisp, 'Introduction' to Aristotle, *Nicomachean Ethics*, p.xv; S. Engstrom and J. Whiting (eds.), *Aristotle, Kant and the Stoics: Rethinking Happiness and Duty* (Cambridge: Cambridge University Press, 1998); R. B. Louden, 'Kant's Virtue Ethics', in D. Statman ed., *Virtue Ethics: A Critical Reader*, pp.286-99; and N. Sherman, *Making a Necessity of Virtue: Aristotle and Kant on Virtue* (Cambridge: Cambridge University Press, 1997).

also of the character and motivation of the person who performs them. It is arguable that, like Hegel, Aristotle also rejects the view that acting from a certain allegedly 'honourable' motive, such as for example what Kant would refer to as 'the sense of duty', is what actually determines the rightness and wrongness of any one's actions – as if acting 'virtuously' in this way would automatically make an agent's actions right, no matter what it was that they actually did. Indeed, in the *Ethics*, Aristotle says explicitly that 'it makes no difference whether a good man has defrauded a bad man or a bad man a good one, nor whether it is a good or a bad man who has committed adultery', for 'the law looks only to the distinctive character of the injury' or of the injustice.<sup>30</sup> This implies, of course, that contrary to MacIntyre's 'virtue ethics' interpretation, Aristotle does attach importance to the idea that ethical life has to do with conformity to substantive moral rules or laws.

As Brian Tierney has suggested, the meaning of the term 'justice' (*dikaion*) in Aristotle's ethical thought, like that of the term 'virtue' (*arete*), is ambiguous. Tierney notes that in the case of 'justice', Aristotle employs this term 'in two senses'. He distinguishes between 'justice as a moral virtue and justice as an objectively right state of affairs'.<sup>31</sup> Furthermore, for Aristotle the terms 'just' and 'virtuous' can be applied variously to actions, to the persons who perform those actions, or to the motives of those persons. In his view an ethical life is a life of justice in two senses. It is a life in which individual moral agents act justly in the sense of acting rightly. In particular, they refrain from committing actions which are objectively unjust or wrong. At the same time, however, they are also motivated in a certain way. They act justly in the further sense that they do what is right for a particular reason. They act rightly, not because this will make them happy, but simply because it is the right thing to do. For Aristotle, it is only if our character is such that we habitually act in such a way that we could strictly speaking be said to be human beings at all. It is arguable that for

<sup>30</sup> Aristotle, *Nicomachean Ethics*, V, 4, 1132a1-5, p.1786.

<sup>31</sup> Cf. Brian Tierney, *Natural Rights: Studies on Natural Rights, Natural Law and Church Law: 1150–1625* (Grand Rapids, Michigan: William Eerdman, 1997), p.21.

Aristotle, just as for Kant, each of these two elements is necessary and neither is sufficient for truly just or virtuous conduct. It is only when our actions are objectively right and when they are appropriately motivated that these actions and the persons who perform them may properly be said to be just or virtuous in the fullest sense of these two terms.<sup>32</sup> As Aristotle puts it, we may say that 'some people who do just acts' are 'not necessarily just' (and hence also not necessarily virtuous) if they do the act ordained by the laws either 'unwillingly or owing to ignorance or for some other reason and not for the sake of the acts themselves,' even though, he continues, they do 'what they should and all the things that the good man ought to do'.<sup>33</sup> When he makes this remark Aristotle presupposes that one can meaningfully describe an action as being just in one sense (that is to say, right) even though the person who performs it is not acting justly in the fullest sense of the term because they perform the action in question for the wrong reason or with an inappropriate motive. From Aristotle's point of view, such actions are certainly right, but they are not virtuous. Hence, also, they are not completely just. On this reading, as Basil Willey once said, for Aristotle 'a man is not truly and securely virtuous' unless he finds pleasure 'in right actions'.<sup>34</sup> In my opinion, then, it is a mistake to think that Aristotle subscribed to a form of virtue ethics as MacIntyre understands it, that is to say, that his sole concern was with character and motivation rather than with the duties and obligations which are associated with the moral rules (or the standards of right and wrong) which in his view are inscribed in the laws

<sup>32</sup> Aristotle, *Nicomachean Ethics*, V, 1, 1129a1-10, p.1781.

<sup>33</sup> Aristotle, *Nicomachean Ethics*, VI, 12, 1144a5-25, p.1807.

<sup>34</sup> Basil Willey, *The English Moralists* (London: Methuen, 1965), p.59. William Frankena, too, has noted that for the ancient Greeks generally 'being virtuous entails not just having good motives or intentions but *also* doing the right thing'. Cf. W. Frankena, *Thinking About Morality* (Ann Arbor: University of Michigan Press, 1980), pp.52-3; cited by Loudon, 'On Some Vices of Virtue Ethics', p.189. A similar view is also held by Leo Strauss, *The Political Philosophy of Hobbes: Its Basis and Its Genesis* (Chicago: University of Chicago Press, 1973 [1936]), p.vii, who associates 'virtue', not with the possession of a certain character or motivation, but with 'the primacy of 'law' in classical political thought', maintaining that these two things are 'fundamentally the same'.

of one's own *polis*.<sup>35</sup> Moreover, given Aristotle's claim that truly virtuous persons do what is right, or what they ought to do, for its own sake, simply because it is the right thing to do, it seems to me that it is not inappropriate to suggest that, like Kant, Aristotle possessed the notion of 'acting from the sense of duty'.<sup>36</sup>

*Miller, Aristotle and deontological ethics*

We may follow Rawls and say that ethical deontologists define the concept of the right independently of the concept of the good and assert that the right thing to do in any given situation has nothing at all to do with the consequences of performing a particular action.<sup>37</sup> According to ethical deontologists, there are certain actions which are wrong intrinsically, or because of their essential nature. These actions are necessarily wrong, always and everywhere, no matter what the circumstances, including both the consequences of their performance and the motive of the person who performs them. Given this, it is not too surprising that there is a strong connection between ethical deontology

<sup>35</sup>Cf. Burns, 'Aristotle', in Boucher & Kelly (eds.), *Political Thinkers: From Socrates to the Present*, pp.73-91, esp. pp.77-8; also Santas, 'Does Aristotle Have A Virtue Ethics?', pp.266, 277-8.

<sup>36</sup>It might be argued that there is an historical anachronism involved in attributing to Aristotle, or to the ancients generally, the idea of 'acting from a sense of duty', an idea which might be associated with the notion of the 'individual moral conscience'. In response we may note Thomas Reid's observation that neither notion is peculiarly modern, and that the former was 'not unfrequent among the ancients'. T. Reid, 'Of the Sense of Duty', *Essays on the Active Powers of Man* [1788], Essay III, Part III, Chapter 6, in D. D. Raphael (ed), *British Moralists: 1650-1800*, in 2 vols. Vol. II (Indianapolis: Hackett, 1991 [1969]), p.274. More recently, Joel Feinberg, has claimed that for the ancient Greeks generally the 'good man' is someone who attaches 'supreme importance' to 'the sense of duty'. Feinberg maintains that both the Greek and later Roman conception of 'virtue' is 'inseparable from the idea of duty'. Cf. J. Feinberg 'Introduction' to J. Feinberg (ed), *Moral Concepts* (Oxford: Oxford University Press, 1969), pp.2-3.

<sup>37</sup>See again Ross, *The Right and the Good*, pp.4-6, 155-6; Rawls, *A Theory of Justice*, pp.21-2, 26-7; Kain, *Marx and Ethics*, p.6; Peffer, *Marxism, Morality and Social Justice*, pp.80-4; also S. Darwall (ed), *Deontology* (Oxford: Blackwell, 2002).

and the natural law tradition in the history of political thought, one of the core beliefs of which is that it is not the positive law of any state which determines the rightness or wrongness, or the justice and injustice, of the actions of its citizens. To suggest that Aristotle is an ethical deontologist is therefore, at the same time, to suggest that his ethical thought can be located firmly within the natural law tradition. Such a reading of Aristotle has recently been proposed by Fred Miller jnr.<sup>38</sup> Aristotle's belief that there are objective, universally valid principles of justice or right has led Miller to argue, rightly, that despite his emphasis on the importance of character, motivation and the moral virtues in the *Ethics*, Aristotle's ethical thought might nevertheless be interpreted as a rule governed natural law theory.<sup>39</sup> In modern moral philosophy, ethical deontology is usually associated with, and sometimes wrongly identified with, the moral philosophy of Kant. It is arguable, however, that despite the differences between them with respect to other issues, Kant's commitment to a deontological ethics represents the continuation of a tradition in the history of ethics which dates back at least as far as Aristotle.<sup>40</sup>

In his *A Theory of Justice* Rawls rejects Hegel's interpretation of Kant and rightly claims that Kant is in fact an ethical deontologist who subscribes to a doctrine of objective ethical duties and substantive moral rules.<sup>41</sup> According to Rawls, Kant's moral philosophy is not (as Hegel suggests) a purely formal doctrine devoid of any substantive moral

<sup>38</sup>Cf. Fred Miller jnr, *Nature, Justice and Rights in Aristotle's Politics* (Oxford: Oxford University Press, 1997), esp.pp.14-17, 67, 74-5, 80-1, 88-91, 108-9, 122-3.

<sup>39</sup>See also Fred. D. Miller jnr., 'Aristotle on Natural Law and Justice', in D. Keyt and F. D. Miller jnr (eds.), *A Companion to Aristotle's "Politics"* (Oxford: Oxford University Press, 1991), pp.296-7.

<sup>40</sup>For the relationship between Kantian ethics and natural law theory see M. Gregor, 'Kant on Natural Rights', in R. Beiner and W. J. Booth (eds.), *Kant and Political Philosophy: The Contemporary Legacy* (New Haven: Yale University Press, 1993), pp.50-75; R. Hancock, 'Kant and Natural Right Theory', *Kant Studien*, 52 (1960-61), pp.440-7; T. Hochstrasser, 'Kant, Natural Law and the History of Philosophy', in *Natural Law Theories in the Early Enlightenment* (Cambridge: Cambridge University Press, 2000), pp.195-206; L. Krieger, 'Kant and the Crisis of Natural Law', *Journal of the History of Ideas*, 26 (1965), pp.191-210; J. B. Schneewind, 'Kant and Natural Law Ethics', *Ethics* (1993), pp.58-69.

<sup>41</sup>Rawls, *A Theory of Justice*, pp.28, 38, 129-30, 156-7, 221-7, 233, 513.

content. Rawls does not, however, interpret Aristotle in the same way. As we have seen, he considers Aristotle to be a nonutilitarian consequentialist. In my view, this view of the relationship which exists between Aristotle and Kant is mistaken. For both Kant and Aristotle maintain that there are certain actions which are intrinsically wrong. As Aristotle puts it in the *Ethics*, 'not every action nor every passion admits of a mean; for some have names that already imply badness', for example, 'adultery, theft, murder', for 'all of these and such like things imply by their names that they are themselves bad, and not the excesses or deficiencies of them'. It is not possible, therefore, Aristotle goes on, for anyone 'ever to be right with regard to them; one must always be wrong'.<sup>42</sup> Elsewhere in the *Ethics* Aristotle says that the moral rules which forbid the performance of actions of this kind as principles of 'rectificatory' or 'corrective' justice.<sup>43</sup> In his view, these principles are closely associated with that of 'reciprocity' or 'equality before the law' and are to be found in the systems of 'political justice' of all *poleis* everywhere. For this reason, I have argued elsewhere that they are examples of what Aristotle refers to as principles of 'natural justice'.<sup>44</sup> It is arguable, therefore, that Aristotelian ethics is very similar to Kantianism, not because both Aristotle and Kant subscribe to a virtue ethics in MacIntyre's sense of the term, but rather because both Aristotle and Kant are ethical deontologists with respect to what they consider to be the fundamental questions of right and wrong, or of justice and injustice.

Surprisingly, this is something which on one occasion MacIntyre is prepared to acknowledge, despite the fact that this acknowledgement is inconsistent with his thesis that Aristotle is an exponent of a virtue ethics in the sense indicated earlier. In MacIntyre's *After Virtue* there is a passage in which he concedes that 'although there is relatively little mention of rules anywhere in the *Ethics*', nevertheless for Aristotle

<sup>42</sup>Aristotle, *Nicomachean Ethics*, II, 6, 1107a5-25, p.1748; Kant, *Grounding for the Metaphysics of Morals*, pp.2, 9-10, 14-15, 28-9, 31, 36-7.

<sup>43</sup>Aristotle, *Nicomachean Ethics*, V, 2, 1131a5-10, pp.1784-5.

<sup>44</sup>Cf. T. Burns, 'Aristotle and Natural Law', *History of Political Thought*, XIX, 3 (1998), pp.142-66.

moral rules certainly do exist. MacIntyre also accepts that it is a 'crucial part of Aristotle's doctrine that certain types of action are absolutely prohibited or enjoined irrespective of circumstances or consequences'. Unlike Rawls, then, MacIntyre maintains that Aristotle's approach to ethics is 'not consequentialist'.<sup>45</sup> In the same passage MacIntyre goes on to concede that Aristotle endorses the idea of natural law as this is traditionally understood.<sup>46</sup> In my opinion these remarks significantly weaken the force of MacIntyre's claim that Aristotelian ethics is a type of virtue ethics which is entirely devoted to a discussion of questions of character and motivation and that it attaches no importance to justice understood as a framework of moral rules or laws. As MacIntyre appreciates here (if not elsewhere), the fact that Aristotle says relatively little about moral rules or laws does not indicate that he considers them to be unimportant either for ethical conduct or for our understanding of what it is to be virtuous and just.

## 2. Which Marx? Marx and Nonutilitarian Consequentialism

Allen Wood has rightly observed that many (probably most) of the commentators who think that Marx has an implicit ethical theory, and who think that this theory is in some sense Aristotelian, interpret Aristotle as a nonutilitarian consequentialist.<sup>47</sup> On this reading, as Steven

<sup>45</sup>MacIntyre, *After Virtue*, p.150; see also pp.152, 169, 186-7, 190, 200, 278; and MacIntyre, *Whose Justice? Which Rationality?*, pp.113-14.

<sup>46</sup>MacIntyre, *After Virtue*, p.150; see also MacIntyre, *Whose Justice? Which Rationality?*, pp.120-1; and Crisp, 'Introduction' to Aristotle, *Nicomachean Ethics*, p.xxiii.

<sup>47</sup>A. Wood, *Karl Marx* (London: Routledge, 1981), p.126. For the question of whether Marx is a nonutilitarian consequentialist see also D. Archard, 'The Marxist Ethic of Self-Realization: Individuality and Community', in J. D. G. Evans (ed), *Moral Philosophy and Contemporary Problems* (Cambridge: Cambridge University Press, 1987), pp.19-34; H. Aronovitch, 'Marxian Morality', *Canadian Journal of Philosophy*, 10 (1980), pp.357-76; D.P.H. Allen, 'Does Marx Have an Ethic of Self-Realization?' Reply to Aronovitch', *Canadian Journal of Philosophy*, 10, 3 (1980), pp.377-86; H. Aronovitch, 'More on Marxian Morality: Reply to Professor Allen', *Canadian Journal of Philosophy*, 10 (1980), pp.387-93; A. Gilbert, 'Marx's Moral Realism: Eudaimonism and Moral Progress', in G. McCarthy (ed), *Marx and Aristotle*, pp.303-28; P.J. Kain, *Marx and Ethics*, pp.65-

Lukes has noted, 'Marxism is deeply and unremittingly anti-deontological'.<sup>48</sup> Basing their interpretation on the discussion of alienation in Marx's early writings, these commentators claim that for Marx man is by nature a socially productive or co-operative being, whose ability to realize himself as such, or to fulfil his own essential nature, has been thwarted by the low level of technological development and the class divided organisation of society which have dominated human history up to the present. From this point of view, communism is preferable to capitalism on moral grounds because it is a socio-economic system which will abolish this alienation of humanity from its own essence<sup>49</sup> and provide the vast majority of mankind with the freedom or autonomy necessary for their flourishing as human beings – to achieve the 'good life', or that state of *eudaimonia* to which Aristotle refers in his *Nicomachean Ethics*.<sup>50</sup> It is not surprising, therefore, that those who interpret Marx's relationship to Aristotle in this way tend to translate the Greek word *eudaimonia* as 'happiness'.<sup>51</sup> On this reading of Marx, it is only because the transition from a capitalist to a communist society would have such consequences that it is considered by Marx to be morally desirable, indeed obligatory.<sup>52</sup>

6; S. Lukes, *Marxism and Morality* (Oxford: Oxford University Press, 1985), pp.87, 142-4; R. W. Miller, 'Marx and Aristotle: A Kind of Consequentialism', in G. McCarthy (ed), *Marx and Aristotle*, pp.275-302; L. Wilde, *Ethical Marxism and its Radical Critics* (London: Palgrave, 1998), pp.5, 15, 29-30, 33, 43, 142, 147. There are also echoes of this reading of Aristotle in G. G. Brenkert, *Marx's Ethics of Freedom*, pp.73, 81.

<sup>48</sup>Lukes, *Marxism and Morality*, pp.142-4.

<sup>49</sup>Kain, *Marx and Ethics*, pp.21-2; Wilde, *Ethical Marxism and Its Radical Critics*, pp.2, 10, 15.

<sup>50</sup>Aronovitch, 'Marxian Morality', p.364; Brenkert, *Marx's Ethics of Freedom*, pp.73, 81; Wilde, *Ethical Marxism and Its Radical Critics*, p.5.

<sup>51</sup>R. Miller, 'Marx and Aristotle: A Kind of Consequentialism', pp.276-7; A. G. Nasser, 'Marx's Ethical Anthropology', *Philosophy and Phenomenological Research* 35 (1975), p.486; Wilde, *Ethical Marxism and Its Radical Critics*, pp.33, 147.

<sup>52</sup>As in the case of Rawls's interpretation of Aristotle, some commentators refer to Marx's ethical thought as being 'perfectionist' rather than 'nonutilitarian consequentialist'. See, for example, Lukes, *Marxism and Morality*, p.144; and Will

It is obvious that there are important differences between this doctrine and classical utilitarianism, not least, as in the case of Aristotle, with regard to their respective views of human nature. However, it is clear that there are also similarities and it is not too surprising that some commentators have claimed that Marx's ethical doctrine is in effect a form of utilitarianism.<sup>53</sup> For on this reading both Marxism and utilitarianism are consequentialist doctrines. In each case the concept of the good has priority over that of the right, and not *vice versa*. In each case, what is good for human beings is established first and what is right, or what ought to be done, is then defined as being that which is necessary for the practical realisation of this good. There is nothing, therefore, which is right in the sense of being morally obligatory in and of itself, considered independently of the consequences. This applies not just to individual actions but also to social institutions. As R. Miller has put it, in the case of both Marx and Aristotle, 'each regards every right with an impact on institutions as subject to evaluation and possible rejection by an assessment of the consequences of respecting that right'.<sup>54</sup> On this view, like classical utilitarianism, there is a tendency in Marx to focus on ethical issues at the level of society as a whole, rather than at the level of the relationships between individuals.<sup>55</sup> It is also claimed that, as in the case of both classical utilitarianism and (allegedly) Aristotle, Marx has no interest in justice for its own sake.<sup>56</sup>

Advocates of this reading of Marx argue that although Marx certainly does possess an ethical theory, the central concept associated with that

Kymlicka, *Contemporary Political Philosophy: An Introduction*, 2<sup>nd</sup> ed. (Oxford: Oxford University Press, 2002), pp.190-95. In my view, this is not the best way to characterize Marx's ethical thought, as both the 'nonutilitarian consequentialist' and the 'deontological' interpretations of Marx might be said to be 'perfectionist', in two different senses of that term.

<sup>53</sup>E.g. D. Allen, 'The Utilitarianism of Marx and Engels', *American Philosophical Quarterly*, 10 (1973), pp.189-99. See also D. Allen, 'Reply to Brenkert's "Marx and Utilitarianism"', *Canadian Journal of Philosophy*, 6 (1976), pp.517-34. M. Green, 'Marxist Ethics II: Marx, Utility and Right', *Political Theory*, 11, 3 (1983), pp.433-46; and Kain, *Marx and Ethics*, pp.102-3.

<sup>54</sup>R. Miller, 'Marx and Aristotle: A Kind of Consequentialism', p.279.

<sup>55</sup>Brenkert, *Marx's Ethics of Freedom*, pp.157-9, 246; Wilde, *Ethical Marxism and Its Radical Critics*, p.6.

<sup>56</sup>Wilde, *Ethical Marxism and Its Radical Critics*, p.43.

theory is freedom or autonomy rather than justice.<sup>57</sup> Moreover, they attribute to Marx the view that freedom or autonomy, and indeed the fully realized non-alienated life which it makes possible, is not what Allen Wood describes as a 'moral' good.<sup>58</sup> On this view, freedom or autonomy is a good for man only because it is a necessary precondition for the aggregate of human beings to flourish or be truly happy. It could, therefore, only be said to be a moral good in the attenuated sense that it is the one good which ought to be maximized, and which should be taken into account in the ethical evaluation of social institutions.<sup>59</sup>

There are three problems with the nonutilitarian consequentialist reading of Marx's ethical thought. The first, and perhaps least significant, is that Marx had nothing but contempt for utilitarianism, which is widely considered to be a paradigm of ethical consequentialism.<sup>60</sup> It must be conceded, however, that this is not a decisive consideration, as it is possible that Marx's objections to utilitarianism have nothing to do with the fact that it is consequentialist, and that he would have been sympathetic towards nonutilitarian consequentialism. A second and more significant point is that this interpretation ignores the normative dimension of alienation and of the critique of capitalism which Marx develops in his early writings, especially Marx's idea that what is wrong with capitalism is the fact that

<sup>57</sup>Wilde, *Ethical Marxism and Its Radical Critics*, pp.29-30.

<sup>58</sup>Wood, *Karl Marx*, pp.126-30. See also Miller, 'Marx and Aristotle: A Kind of Consequentialism', pp.106-7.

<sup>59</sup>This I think, and this only, is what Brenkert has in mind when he claims that for Marx freedom is a moral and not a nonmoral good. Cf. Brenkert, *Marx's Ethics of Freedom*, p.89.

<sup>60</sup>See G. G. Brenkert, 'Marx and Utilitarianism', *Canadian Journal of Philosophy*, 5 (1975), pp.421-34; G. G. Brenkert, 'Marx's Critique of Utilitarianism', *Marx and Morality*, pp.193-220; M. Green, 'Marxist Ethics II: Marx, Utility and Right', *Political Theory*, 11, 3 (1983), pp.433-46; Kain, *Marx and Ethics*, pp.102-3; Peffer, 'Marx and Utilitarianism: A Critique', *Marxism, Morality and Social Justice*, pp.86-99.

it engenders the alienation of man from man.<sup>61</sup> There is a striking tendency for advocates of this reading to downplay the importance of the idea that for Marx, as for Aristotle, man is by nature an ethical being, and to exaggerate the importance of Marx's belief that man is a creative, artistic or aesthetic being. Jon Elster, for example, has claimed that the idea of 'self realization through creative work' is the very essence of what Marx means by communism, a reading which ignores completely the idea that in Marx's view man is also an ethical being.<sup>62</sup>

The third and most significant weakness of this interpretation of Marx is therefore, as Rodney Peffer has noted, the fact that like classical utilitarianism it attaches no importance to 'considerations of justice', or to the role which the concept of justice has to play in Marx's theory of alienation and in his critique of capitalism generally, especially but not only in his early writings.<sup>63</sup> An extreme version of this interpretation would suggest that in Marx's view the reason why life in a communist society is to be morally preferred to life in a capitalist one is not because the former is an ethical life or a life of justice and the latter is not but, rather, because the former is a happy, creative and productive life, and is therefore good for humanity as a whole, whereas the latter is not. The ethical dimension of this particular form of Marxism has to do not so much with the specific nature of the social relations in which the members of a communist society would engage, but rather with the moral desirability of creating a situation within which they might all (or as many as is practically possible) be said to be fulfilled or truly happy. It is only in this (again attenuated) sense, because it is a society in which the greatest human good is promoted, rather than because of the

<sup>61</sup>Cf Karl Marx, *Economic and Philosophical Manuscripts of 1844*, trans. Martin Milligan, in *Marx and Engels Collected Works*, Vol. 3 (London: Lawrence and Wishart, 1975), pp.270-82.

<sup>62</sup>J. Elster, *Making Sense of Marx* (Cambridge: Cambridge University Press, 1985), p.521; see also J. Elster, 'Self-Realization in Work and Politics: The Marxist Conception of the Good Life', *Social Philosophy and Policy*, 3 (1985-6), pp.97-126; and Wilde, *Ethical Marxism and Its Radical Critics*, pp.33, 142.

<sup>63</sup>Peffer, *Marxism, Morality and Social Justice*, p.104. See also Z. I. Husami, 'Marx on Distributive Justice', in Cohen, Nagel and Scanlon, *Marx, Justice and History*, pp.45-78.



character of the social relationships which would exist within it, that a communist society might be said to be an ethical community.<sup>64</sup>

*Marx and virtue ethics*

One or two commentators who maintain that Marx has an implicit ethical theory which is Aristotelian have emphasised the fact that there is an affinity between Marx's views and 'virtue ethics'. This is especially true of George Brenkert and Lawrence Wilde. Brenkert does not mention MacIntyre's work in this connection, whereas Wilde singles MacIntyre's virtue ethics interpretation of Aristotle out for (qualified) praise and argues that it has a significant contribution to make towards our understanding of Marx's approach to ethics.<sup>65</sup> We have seen that the hallmark of Aristotle's virtue ethics, as MacIntyre understands it, is that it attaches no importance to moral rules or laws and has nothing to say about questions of duty, obligation, justice and the right conduct of individuals, questions which are, it is claimed, central to modern moral philosophy from the time of Kant onwards, but which were allegedly of no interest at all to ethical thinkers in pre-modern times. According to the virtue ethics interpretation of Marx, we find the same lack of concern about such issues in Marx's writings also. This, it is suggested, is a striking affinity between the views of Marx and Aristotle. Brenkert, for example, argues that we need to distinguish clearly between two quite different approaches to ethics, an 'ethics of duty' and an 'ethics of virtue'. In the former approach, the fundamental questions of ethics have to do with the notions of the 'duties and obligations one person owes to another', the notions of 'duty, obligation, guilt, justice, rights'.<sup>66</sup> But this is not the attitude of either Aristotle or Marx, both of whom take the view, or so Brenkert alleges, that morality 'is not primarily concerned

<sup>64</sup>Wilde, *Ethical Marxism and Its Radical Critics*, pp.2, 142.

<sup>65</sup>Brenkert, *Marx's Ethics of Freedom*, pp.17, 19-21, 89, 129; Wilde, *Ethical Marxism and Its Radical Critics*, pp.6, 9, 33, 147. See also J. Daly, *Marx, Justice and Dialectic* (London: Greenwich Exchange, 1996), p.110; and Kain, *Marx and Ethics*, pp.65-6.

<sup>66</sup>Brenkert, *Marx's Ethics of Freedom*, p.17.

with rules and principles, but with the cultivation of certain dispositions or traits of character'.<sup>67</sup>

Surprisingly, Brenkert questions whether the ancient Greeks had a morality based on moral rules or laws, since, he claims, 'it is a matter of dispute whether Plato and Aristotle gave any significant place to the modern notions of duty and obligation'.<sup>68</sup> Somewhat inconsistently, he goes on to suggest on the one hand that the idea of an ethics of duty has contributed to the history of ethics by Christianity and the 'Judaean-Christian' view of morality,<sup>69</sup> and on the other hand that it might also be thought of as a peculiarly modern development, a product of the decay of feudal society, and hence something which is 'conceptually linked with capitalism'.<sup>70</sup> From the latter point of view, an ethics of duty is associated quintessentially with the attitude of Kant and, again, with modern moral philosophy. It is an attitude associated with an 'individualistic', 'law conception of morality' in which 'people have rights'. It is this type of morality that, Brenkert insists, Marx 'seeks to break away from'.<sup>71</sup> As in the case of MacIntyre's reading of Aristotle, Brenkert is adamant that the virtue ethics of Marx has nothing to do with 'the duties and obligations one person owes another person and/or society'. Consequently, it does not lend itself to formalisation in a 'legal code'. Rather, an ethics of virtue 'questions which ways of life are worthy of man'. It seeks 'the virtues, excellencies, the flourishing life', but 'judgements relative to these matters have no direct bearing on the law. They cannot so readily be translated into law as can judgements of duty'.<sup>72</sup>

An adequate response to this 'virtue ethics' interpretation of Marx, and of Marx's relationship to Aristotle, must take into account the reasons for thinking that, like Aristotle, Marx was an ethical deontologist for whom the most important ethical value is justice for its own sake. I will consider the evidence in favour of such a reading of Marx in the next section. As a preliminary to that discussion, however, it

<sup>67</sup>Brenkert, *Marx's Ethics of Freedom*, p.17.

<sup>68</sup>Brenkert, *Marx's Ethics of Freedom*, p.19.

<sup>69</sup>Brenkert, *Marx's Ethics of Freedom*, p.20.

<sup>70</sup>Brenkert, *Marx's Ethics of Freedom*, pp.20-1.

<sup>71</sup>Brenkert, *Marx's Ethics of Freedom*, p.160.

<sup>72</sup>Brenkert, *Marx's Ethics of Freedom*, pp.20-1.

should be noted that it is a historical mistake to associate, as Brenkert does, the idea of an ethics of moral rules or laws, or an ethics of duty and obligation, exclusively with modern moral philosophy or with the moral philosophy of Kant, let alone with the development of capitalism. One has only to think of the natural law theory of Augustine or Aquinas, or of medieval political thought more generally, to appreciate this fact. Moreover, as we have seen, it is at least arguable that these notions are not by any means alien to the political culture of the ancient Greeks and that, as Aquinas believed, they are actually central to Aristotle's ethics and to Aristotle's understanding of the notion of 'virtue'. In my view, therefore, one reason why this particular interpretation of the relationship between Marx and Aristotle must founder is because it is based on a misreading of the *Nicomachean Ethics* and of Aristotle's understanding of the role which the concept of justice has to play within it.

It may be conceded that Marx's implicit ethical position is Aristotelian. It is arguable, though, that this is not because Marx is an exponent of 'virtue ethics' in MacIntyre's sense of the term. Nor, as we have seen, is it because Marx is a nonutilitarian consequentialist. It is rather because, like Aristotle, Marx is an ethical deontologist. One of the principal objections to such a reading of Marx occurs because there is a tendency to identify ethical deontologism with Kantian moral philosophy, many of the basic assumptions of which Marx rejects, especially Kant's ethical individualism. As early as 1842 Marx was criticising Kant's ethics for being excessively 'individualistic'. According to Marx, Kant proceeds 'from reason', but this is 'the reason of the individual' rather than 'social reason'.<sup>73</sup> However, once it is recognised that there are alternative forms of ethical deontologism, including the specifically social or communitarian form adhered to by Aristotle,<sup>74</sup> then as we shall see this particular objection to a possible deontological reading of Marx's ethical thought is removed.

<sup>73</sup>Cf. Marx, 'The Leading Article in No. 179 of the *Kolnische Zeitung*', p.202.

<sup>74</sup>For Aristotle's 'communitarian' (and politically 'conservative') natural law theory see Burns, 'Aristotle and Natural Law', pp.142-66.

### 3. Marx and Deontological Ethics

The argument that Marx is an ethical deontologist relies heavily on the claim that whenever he does make ethical judgements he does so from the standpoint of justice.<sup>75</sup> When discussing Marx's views on justice and their relationship to those of Aristotle I shall distinguish, as is usually done, between the views of the young and the mature Marx. A number of commentators have claimed that, especially in his 'pre-communist' journalistic writings of 1842, the young Marx subscribed to a form of deontological ethics which is strikingly similar, not to that of Aristotle, but to that of Kant.<sup>76</sup> Thus, for example, Marx refers at one point, in an allegedly Kantian manner, to the 'unconscious natural law of freedom' and describes 'real' laws as being the 'positive existence of freedom' or the 'real existence of freedom for man'. He also asserts, elsewhere, the

<sup>75</sup>The question of Marx's attitude towards justice, like that of his attitude towards ethics generally, is of course a hotly debated one and has generated a great deal of literature. See especially N. Geras, 'A Marxian Approach to "The Problem of Justice"', *Philosophica*, 33, 1 (1984), pp.33-86; N. Geras, 'The Controversy About Marx and Justice', *New Left Review*, 150 (1985), pp.47-85; N. Geras, 'Bringing Marx to Justice: An Addendum and Rejoinder', *New Left Review*, 195 (1992), pp.37-69; also A. Buchanan, *Marx and Justice: The Radical Critique of Liberalism* (London: Methuen, 1982); J. Daly, *Marx, Justice and Dialectic*; I. Husami, 'Marx on Distributive Justice', in M. Cohen, T. Nagel, and T. Scanlon (eds.), *Marx, Justice and History*, pp. 45-78; J. McCarney, 'Marx and Justice Again', *New Left Review*, 195 (1992), pp.29-36; R. Peffer, *Marxism, Morality and Social Justice*; Wilde, 'Ethics, Justice, Freedom', Ch. 3 of *Ethical Marxism and its Radical Critics*, pp.31-50; A. Wood, 'Marx on Right and Justice', Ch. 9 of *Karl Marx* (London: Routledge, 1981), pp.125-40; A. Wood, 'The Marxian Critique of Justice', in Cohen, Nagel and Scanlon (eds.), *Marx, Justice and History*, pp.5-29; A. Wood, 'Marx on Right and Justice: A Reply to Husami', in Cohen, Nagel and Scanlon (eds.), *Marx, Justice and History*, pp. 107-32.

<sup>76</sup>P. Kain, 'The Young Marx and Kantian Ethics', *Studies in Soviet Thought*, 31 (1986), pp.277-301; E. Kamenka, *Marxism and Ethics* (London: Macmillan, 1969), pp.2, 12; E. Kamenka, *The Ethical Foundations of Marxism* (London: Routledge, 1972), pp.24, 34; D. Meyers, 'The Young Marx and Kantian Ethics', *Studies in Soviet Thought* 31 (1986); Peffer, *Marxism, Morality and Social Justice*, pp.36, 38, 118-20, 122.

state might be thought of as the 'realisation of rational freedom'.<sup>77</sup> Moreover, there is at least some evidence that Marx retained this intellectual debt to Kant even after he became a communist sometime in 1843, when working on his critique of Hegel's *Philosophy of Right*. For example, in the 1843 'Introduction' to his proposed critique, Marx affirms his belief that that 'man is the highest being for man' and associates this belief with a commitment to the 'categorical imperative' to overthrow all circumstances in which man is a 'debased, enslaved, forsaken, despicable being'.<sup>78</sup> Given that Marx does make remarks like this in his early writings, it is perhaps not too surprising that he has sometimes been interpreted as a Kantian. Indeed, Rodney Peffer has claimed that 'the claim that Marx was very much influenced by Kant' in these early writings 'can hardly be doubted'.<sup>79</sup>

It is tempting to suggest (although I think the temptation should be resisted) that the attitude of mind which is central to Marx's understanding of alienation as an ethical concept in the *Paris Manuscripts* of 1844 is also Kantian. From this point of view, when Marx talks about the alienation of man from man there he is criticising capitalism from the moral point of view because it creates injustice. It does this because it is a socio-economic system which leads some human beings to treat others 'instrumentally', as if they were 'things' or inanimate objects, rather than autonomous beings, free and equal with themselves, which is what they essentially are. This idea is, of course, often associated with Kant's dictum that we ought to treat our fellow human beings not as a 'means' to our own ends, but as 'ends in themselves', as possessing intrinsic value or worth, simply because they

<sup>77</sup>Karl Marx, 'Proceedings of the Sixth Rhenish Province Assembly: Debates on the Freedom of the Press and Publication of the Proceedings of the Assembly of the Estates' (1842), in Karl Marx and Frederick Engels, Vol. 1 (London: Lawrence and Wishart, 1975), pp.158, 162; and Karl Marx, 'The Leading Article in No. 179 of the *Kölnische Zeitung*' (1842), in *Collected Works*, Vol. 1, p.200.

<sup>78</sup>K. Marx, *Contribution to the Critique of Hegel's Philosophy of Law*, 'Introduction', in Karl Marx and Frederick Engels, *Collected Works*, Vol. 3 (London: Lawrence and Wishart, 1975), p.182.

<sup>79</sup>Peffer, *Marxism, Morality and Social Justice*, p.122.

are human beings.<sup>80</sup> In the *Manuscripts* Marx tells us that capitalist employers deprives workers of their 'human status and dignity' and in effect treat their workers as if they are slaves.<sup>81</sup> For the young Marx slavery is unjust in and of itself. It is intrinsically wrong and could 'never' be right, no matter what the circumstances.<sup>82</sup>

This deontological reading of the young Marx's ethical thought, with its claim that he criticised capitalism simply because it is unjust, is evidently incompatible with the view that the young Marx was a nonutilitarian consequentialist. This is so because it attributes to Marx the belief that man is not simply a socially productive or an aesthetic being (although he certainly is these things), but also a moral being, destined to live within an ethical community in a much stronger sense

<sup>80</sup>Kant, *Grounding for the Metaphysics of Morals*, pp.35-6, 40-43.

<sup>81</sup>Marx, *Economic and Philosophical Manuscripts*, pp.278-80.

<sup>82</sup>Cf. Karl Marx, 'Debates on the Freedom of the Press', p.162, where Marx states that 'slavery can never become lawful'. The question of whether Marx and Engels considered slavery to be unjust is a test case in the debate over their attitude towards justice. Not surprisingly therefore, like the pronouncements which they make at different times about justice, so also their pronouncements about slavery are inconsistent with one another. See K. Marx, *Capital: A Critique of Political Economy*, Volume 3, *The Process of Capitalist Production as a Whole* ed. F. Engels, trans. E. Untermann, *Collected Works*, Vol. 37 (London: Lawrence and Wishart, 1998 [1894]), pp.383-4, 588-90, 762-3, 806; K. Marx, *Value, Price and Profit*, trans. E. Aveling, *Collected Works*, Vol. 20 (London: Lawrence and Wishart, 1985 [1865]), pp.128-9; K. Marx, and F. Engels, *The German Ideology*, *Collected Works*, Vol. 5 (London: Lawrence and Wishart, 1976 [1845]), pp.38, 220-1, 431-2; F. Engels, *Anti-Dühring: Herr Eugen Dühring's Revolution in Science*, trans. A. Lewis, *Collected Works*, Vol. 25 (London: Lawrence and Wishart, 1987 [1877-8]), pp.95-8, 168-70, 603. For secondary literature which discusses Marx's views on slavery, see J. Daly, 'Marx and Progress', in *Deals and Ideals: Two Concepts of Enlightenment* (London, 2000), pp.131-41; N. Geras, 'Human Nature and Progress', *New Left Review*, 213 (1995), pp.151-60; P.J. Kain, *Marx and Ethics* (Oxford, 1991), p.169; R. Peffer, 'Marxism and Moral Historicism', in *Marxism, Morality and Social Justice* (Princeton, NJ, 1990), pp.212-35; S. Sayers, 'Moral Values and Progress', *New Left Review*, 204 (1994), pp.67-85; H. Selsam, *Socialism and Ethics* (London, 1947), pp.65-6; J. Vogel, 'The Tragedy of History', *New Left Review*, 220 (1996), pp.36-61; A. Wood, 'The Marxian Critique of Justice', in M. Cohen, T. Nagel and T. Scanlon (eds.), *Marx, Justice and History*, pp.15-16; A. Wood, *Karl Marx*, pp.131-2.

than that suggested by the interpretation of Marx as a nonutilitarian consequentialist. It seems clear from the *Manuscripts* that Marx thought of a communist society as being an ethical community in which the alienation of man from man has been abolished. On this reading of Marx, the transition to communism would involve re-grounding the interpersonal relationships which hold between individuals in a capitalist society on an ethical basis, so as to 'rectify' the injustices created by capitalism. According to the young Marx we ought to do this, not because it will make more people 'happy' or fewer people 'unhappy' (although of course it may well do so), but for its own sake, as not doing it would perpetuate these injustices.

The interpretation of the young Marx as an ethical deontologist does not deny that in his view freedom or autonomy is a good for human beings and also an important moral value. However, it does deny that for Marx freedom is a more important value than justice. Indeed, on this reading, the meaning of the concept of freedom, as Marx understands it, is logically related to that of justice. Here freedom or autonomy is considered to be a moral 'good', but in a much stronger sense than that implied by the nonutilitarian consequentialist reading of Marx. It is a moral 'good' not simply because it is something which needs to be taken into account when evaluating individual actions and social institutions from the point of view of their consequences, but in the sense that by its very nature freedom is a moral or juridical concept and, as such, necessarily connected with the notions of obligation, duty and law. According to this deontological interpretation, for the young Marx true freedom is something which is reciprocal and therefore limited. It is associated with voluntary self-restraint by the members of a particular ethical community from a sense of duty to the moral rules or laws of that community. From this standpoint the ethics of the young Marx is, therefore, undeniably one of duties and obligations and the moral rules or laws with which they are associated. For this reason, the claim that the young Marx is an ethical deontologist is not only incompatible with the claim that he is a nonutilitarian consequentialist, it is also incompatible with the claim that he is an advocate of 'virtue ethics' in MacIntyre's sense of the term.

Despite the young Marx's occasional use of Kantian phraseology, Rodney Peffer is right to claim that it is debatable whether he was ever a

'strict Kantian – even in his early works'.<sup>83</sup> One reason for this, as we have seen, is Marx's rejection of Kant's ethical individualism and his endorsement of a more communitarian approach to ethics. The deontological character of Marx's ethical beliefs at this time is not, therefore, a decisive reason for thinking that he must have been a follower of Kant, as Kant is not the only deontological thinker in the history of moral philosophy. As I argued above, so too is Aristotle. Some commentators have maintained that although it would be incorrect to claim that the young Marx was a Kantian, nevertheless it must be conceded that his ethical beliefs were informed to some extent at least by those of Kant. They have, therefore, argued that the best way to understand the young Marx's approach to ethics is to acknowledge the influence of *both* Aristotle and Kant upon him. For example, Philip Kain has claimed that Marx's ethical thought constitutes a theoretical synthesis of the views of Aristotle with those of Kant.<sup>84</sup> And Martha Nussbaum has suggested that because the young Marx's reading of Aristotle 'was in many ways shaped by the Kantian idea of humanity as an end', we may conclude that Marx falls within a 'neo-Aristotelian tradition' in ethics which is quite 'near to Kant' in certain respects.<sup>85</sup> According to Nussbaum the difference between Marx and Aristotle is the fact that for the young Marx 'human dignity is an end in itself' and not simply 'a mere means to the ends of others'.<sup>86</sup> Against both Kain and Nussbaum, however, it might be argued that the starting point for the ethical critique of capitalism which Marx develops in the *Paris Manuscripts* is simply that of someone who believes in the natural equality of all human beings and who thinks that justice requires that human beings with the same needs and aspirations ought to treat others and themselves be treated by others in the same way in similar circumstances. In short, these early writings indicate that like Aristotle,

<sup>83</sup>Peffer, *Marxism, Morality and Social Justice*, p.122.

<sup>84</sup>P. Kain, 'Aristotle, Kant and the Ethics of the Young Marx', in McCarthy, (ed), *Marx and Aristotle*, pp.213-42; P. Kain, 'Aristotle, Kant and the Ethics of the Young Marx (1835-1843)' and 'The Synthesis of Kantian and Aristotelian Ethics', Chs. 1-2 of *Marx and Ethics*, (Oxford: Clarendon Press, 1991), pp. 15-82.

<sup>85</sup>Martha Nussbaum, 'Aristotle, Politics and Human Capabilities: A Response to Antony, Arneson, Charlesworth and Mulgan', *Ethics*, 111 (2000), p.106.

<sup>86</sup>Nussbaum, 'Aristotle's Politics and Human Capabilities', p.106.

and like all ethical deontologists, the young Marx is committed to the value of justice for its own sake. He maintains, in effect, that Aristotle's principle of reciprocity or of 'rectificatory justice' should apply, not just to the citizens of a particular *polis*, but to all human kind. There is no reason why we should assume that the young Marx derived this commitment from Kant. It would be just as plausible to maintain that (as perhaps Kant himself did) Marx derived it by engaging directly with the views of Aristotle, and by rejecting some, though not by any means all, of Aristotle's theoretical assumptions, especially of course Aristotle's belief in the natural inequality of human beings. After all, it was Aristotle and not Kant who first pointed out that slavery is an institution within which some human beings are considered to be nothing more than items of property, and therefore 'instruments' or things to be used by others;<sup>87</sup> and it was also Aristotle who first drew our attention to the fact that even in ancient Athens there were some who considered such a state of affairs to be contrary to nature and therefore unjust.<sup>88</sup> However the important point here is that, whatever their source, it is clear that the young Marx did hold definite ethical beliefs, that he criticised capitalism from the moral point of view, and that his ethical thought was deontological in character.

There remains the problem of Marx's attitude towards justice in his later writings from 1845 onwards. Norman Geras has rightly suggested that there is a 'pervasive contradiction' in the mature Marx's pronouncements on justice which has led to much 'confusion' amongst later generations of Marxists and which may be summarised by the phrase that the mature Marx 'did think that capitalism was unjust but he

<sup>87</sup> Aristotle, *Politics*, I, IV, 1253b24-38, 1254a1-17, p.1989.

<sup>88</sup> Aristotle, *Politics*, I, III, 1253b20-24, p. 1989; I, V, 1254a18-38, 1254b1-38, 1255a1-2, pp. 1989-91. See also T. Burns, 'The Tragedy of Slavery: Aristotle's *Rhetoric* and the History of the Concept of Natural Law', *History of Political Thought*, XXIV, 1 (2003), pp.18-28; G. Cambiano, 'Aristotle and the Anonymous Opponents of Slavery', in M. Finley, (ed) *Classical Slavery* (London, 1987), pp. 22-41; and T. J. Saunders, 'The Controversy About Slavery Reported in Aristotle, *Politics* I vi, 1255 a 4ff', in A. Moffatt (ed.), *Maistor: Classical, Byzantine and Renaissance Studies for Robert Browning* (Canberra, 1984), pp. 25-36.

did not think he thought so'.<sup>89</sup> I agree with Geras that Marx's pronouncements on justice are contradictory, and I also think that it is not possible for us to reconcile them at some higher level, as some commentators have suggested, by making terminological distinctions such as that between the 'essence' of justice and its 'appearance',<sup>90</sup> or that between 'legal justice' and 'moral justice'.<sup>91</sup> However, the most likely explanation for this state of affairs is not so much, as Geras appears to suggest, that Marx's thinking about justice was confused, but rather that he came to consider moral arguments of this kind to be futile. After 1845 the later Marx chose not to base his attitude towards capitalism on ethical considerations and at times deliberately sought (unsuccessfully) to deflect attention away from the fact, which he simply took for granted, that capitalism is an unjust social system. In my view Lawrence Wilde is right to claim that 'Marx's anti-moralism is primarily tactical' and that he 'opposed couching arguments against capitalism or for socialism in moral terms on the grounds that this would detract from clear sighted scientific analysis'.<sup>92</sup> According to Geras, Marxists today should not allow this state of affairs regarding Marxism's attitude towards justice to continue. Rather, they 'must openly take responsibility for their own ethical positions, spell them out, defend and refine them'. Geras maintains that a 'properly elaborated Marxist conception of justice' would for this reason 'not be at all premature'.<sup>93</sup> Needless to say, a clarification of the relationship between Marx's thoughts about justice and those of Aristotle would have an important part to play in such a project.

Despite the mature Marx's denials, there is evidence to support the claim that he was as much committed to the value of justice in his later writings as he was in his youth. The extent of Marx's debt to Aristotle is also much clearer in the later writings than it is in the earlier ones. The best example of this is Marx's *Critique of the Gotha Programme*,

<sup>89</sup> N. Geras, 'The Controversy About Marx and Justice', pp.85, 70.

<sup>90</sup> Kain, *Marx and Ethics*, pp.10, 157-60.

<sup>91</sup> McCahey, 'Marx and Justice Again', pp.34-5; Wilde, *Ethical Marxism and Its Radical Critics*, pp.42-3; Wood, 'The Marxian Critique of Justice', p.5. See also Husami, 'Marx on Distributive Justice', p.78.

<sup>92</sup> Wilde, 'Introduction' to *Marxism's Ethical Thinkers*, p.2.

<sup>93</sup> Geras, 'The Controversy About Marx and Justice', p.85.

published in 1875. In this text Marx suggests that the principal reason why a communist society would be ethically preferable to a capitalist one is the fact that a communist society would indeed be a just society. Moreover, although this has not often been noted, the doctrine of justice which is presupposed here by Marx relies heavily on Book V of Aristotle's *Nicomachean Ethics*.<sup>94</sup> Like Aristotle before him, Marx maintains that justice requires equity or fairness. It involves treating equals equally and unequals unequally, or differently. So far as the distribution of the social product in a communist society is concerned, Marx argues in the *Critique* that unequal treatment might nevertheless be just provided it corresponds to a relevant difference in the circumstances of the individuals who are being so treated – namely, a difference with respect to their needs.<sup>95</sup>

According to this deontological reading of Marx's ethical thought, then, the principal reason why the mature Marx thinks that a communist society would be ethically preferable to a capitalist society is not, as advocates of the nonutilitarian consequentialist reading of Marx maintain, because more people would be happier or fulfilled in a communist society than in a capitalist society (although again this may well be the case). Nor is it because a communist society would not have any need for moral rules or laws, with their attendant obligations, as advocates of the 'virtue ethics' interpretation of Marx suggest. As Philip Kain has noted, the fact that in a communist society obligations would not 'appear as burdens in opposition to our natural inclinations does not mean that Marx has no theory of obligation'. For obligations 'need not

<sup>94</sup>For commentators who have drawn attention to the fact that Marx's views on justice in the *Critique* owe a lot to Aristotle see C. Castoriadis, 'Value, Equality, Justice, Politics: From Marx to Aristotle and from Aristotle to Ourselves', in K. Soper and M. Ryle (eds.), *Crossroads to the Labyrinth* (Cambridge, Mass: MIT Press, 1984), p.311; and McCarthy, *Marx and the Ancients*, p.94. For Aristotle's views on justice see *Nicomachean Ethics*, V, 2-4, 1130a15-1132b20, pp.1783-7.

<sup>95</sup>Cf. K. Marx, *Critique of the Gotha Programme*, in Karl Marx and Frederick Engels, *Collected Works*, Vol. 24 (London: Lawrence and Wishart, 1989), pp.83-7.

be burdensome' in order 'to be obligations'.<sup>96</sup> It is, rather, because a communist society would be a just society, in two senses. First, at the level of interpersonal relationships, it would be a 'community of free individuals' based on voluntary assent from a sense of duty to the principle that all citizens ought to consider their fellow citizens as their own equals, with everything that this entails (Aristotle's rectificatory justice).<sup>97</sup> As such, it would be a society in which the alienation of man from man has been abolished. Second, it would be a society in which the goods which make for human happiness and fulfilment are distributed equitably, even if that means less happiness is produced overall than there would be in a society which is organised differently (Aristotle's distributive justice). It is arguable that it is for this reason only that the mature Marx considered a communist society to be a genuine ethical community, similar to the ancient Greek *polis*, and that it is for this reason only that the mature Marx's ethical beliefs are Aristotelian in character.

<sup>96</sup>Kain, *Marx and Ethics*, pp.65-6.

<sup>97</sup>Karl Marx, *Capital*, Vol. One, trans. Samuel Moore and Edward Aveling, ed. Frederick Engels, in Karl Marx and Frederick Engels, *Collected Works*, Vol. 35 (London: Lawrence and Wishart, 1996), p.89.

Review:

## The Sick, Lame, and Lazy

T. M. Wilkinson

RECENT EGALITARIAN THOUGHT has had something to say about our obligations to contribute to society. In the context of an unconditional basic income, Philippe Van Parijs thinks unemployed surfers should be fed, although John Rawls does not. In the debates over the morality of incentives, some well-known egalitarians, like G.A. Cohen, favour productive duties, while others – like Rawls, again – do not. But none of the modern egalitarians who are keen on contribution go so far as George Bernard Shaw: ‘The idler will be treated not only as a rogue and a vagabond, but as an embezzler of the national wealth, the meanest sort of thief.’<sup>1</sup> And for all his sympathy with writers from the turn of the last century, many of whom said things like this, Stuart White does not go this far either in his new book, *The Civic Minimum*.<sup>2</sup> But he does want to reach into the past – he is particularly keen on Hobhouse and Tawney – to connect the old ideals of service to the community with modern egalitarian thought, and with new policy proposals.

<sup>1</sup> G.B. Shaw, *The Intelligent Woman's Guide to Socialism and Capitalism* (London: Constable, 1929), 400.

<sup>2</sup> Stuart White, *The Civic Minimum* (Oxford: Oxford University Press, 2003), Hardback, £25, pp.ix+287. Bracketed numbers in the text refer to this book.

*The Civic Minimum* comes in two parts. The first develops an account of economic citizenship based on a theory called ‘justice as fair reciprocity’ which, as the name implies, blends egalitarianism with reciprocity. The most significant result of this theory is an obligation to contribute to society by working, but it is an obligation that depends on whether other aspects of society are reasonably just. The second part applies this theory to certain welfare policies. White favours a work test for unemployment benefits, is sympathetic to a limited form of basic income, and enthusiastic about basic capital, as a stock of wealth to be given – with various strings attached – to all citizens. He also argues for steep inheritance taxes to help finance some of the innovations. The final chapter defends the political feasibility of the proposals against the objections that globalisation makes redistribution impossible (an idea that White rightly criticises) and that there will never be enough domestic support for the redistribution White has in mind. He gives some reasons for thinking that popular hostility to redistribution is really hostility to dole-bludgers and welfare scroungers, that is, those who take without giving back when they could give back. This allows him to hope that because his proposals are based on reciprocity and do not support scrounging, they would not attract such hostility.

As this brief description suggests, *The Civic Minimum* is a mix of normative political philosophy, public policy, and political science. White says himself that he wanted to make political theory more relevant to the real world, and he has. There has, he thinks, been too big a split between egalitarian theorists and those concerned with the policy of the welfare state. The theorists have been concerned with deep matters – in particular, exploring the nature and justification of egalitarianism – while those who work on policy have assumed a consensus on social democratic aims that died away from the 1970s on. There is another reason for the disunity of theory and practice, which White does not mention: philosophers, including political philosophers, are temperamentally and by training often reluctant to dirty their hands with facts, while those in economics, public policy, political science, and sociology are often unsure how to engage with normative ideas, when they are not actively denying that there are any. I agree that the mix of theory and practice is much needed, and White is to be praised for his serious interdisciplinary efforts. He does not merely gesture – he actually takes the trouble to read, digest, and apply theoretical and policy

material to produce conclusions and recommendations with the appropriate sensitivity to different circumstances.

Having myself merely gestured at the importance of interdisciplinary work, I shall concentrate in the rest of this review on White's normative theory. I shall set it out first, and then mention some doubts and criticisms.

The starting point of the theory is an idea called 'democratic mutual regard' (sec. 2.1). The idea is that the good society is one of mutual concern and respect between equals. Institutions must be justifiable to all, and the justification will take the form of a concern for shared basic interests. These interests include certain liberty and well-being interests and, because society's institutions should recognise the equal worth of all, the concern for those interests requires equal opportunity. From this, White concludes that society should have three commitments: (1) the ending of brute luck inequality, most importantly in unequal inheritance, in undeserved differences in reward to marketable talent, and in undeserved inequalities in health status; (2) no market vulnerability, meaning that people should not be in a position where they could be exploited or abused because of their great need; and (3) the state should not discriminate on morally irrelevant grounds, and should stop others doing so in certain key areas. (Ch. 2 and p. 48, for summary.) So far, as he says, so reasonably familiar. The distinct twist is an emphasis on reciprocity. White believes that in a society of equals with mutual respect, 'if one willingly enjoys the fruits of one's fellow citizens' labours, then, as a matter of justice, one ought to provide some appropriate good or service in return.' (49)

The duties of reciprocity are affected by blending the ideal of reciprocity with egalitarianism in several ways. (See ch. 5, 'The Contributive Obligation'.) In the first place, it is not only paid work that counts as a contribution. Care work, say for elderly relatives or, under certain circumstances, one's children, counts too. Since most care work is done by women, recognition of their work as a social contribution at least would not compound the inequality between men and women. Second, the duty is not to put back what one has actually taken out, because that would make unfair demands on those who, through no fault of their own, are unable to reciprocate as easily, if at all, as others. Instead, the duty is to contribute according to one's potential. Those with

less potential should still contribute, but not as much absolutely. Those with more potential should contribute more.<sup>3</sup> Third, the duty is to be made less demanding for the worse off if the conditions of justice are not met. The thought here is that those who are victims of discrimination or poverty are not obliged to give as much back as they would if society were just and they were not victims. However, even a less than perfectly just society can be just enough. Ideal fair reciprocity would be, of course, ideal, but White thinks a threshold of justice can be achieved, which gives people their contributive obligation in full.

In a society that achieves ideal reciprocity, there would be no brute luck inequality, market vulnerability, or discrimination. In sec. 4.1, he rather half-heartedly sets out a scheme that he thinks could achieve these goals in principle. The egalitarian earnings subsidy scheme (called ESS, although it should be EESS) works out the average peak earnings and then imposes a tax or subsidy on people that would adjust their maximum earnings to this average level, with a proportionate tax or subsidy for earnings below this level. It is an ingenious idea, although I doubt it has the efficiency and equality advantages White thinks it has, even if the problems of figuring out earnings potential could be solved. A tax on money earned gives an incentive to work inefficiently because it makes work at the margin less worthwhile than it would be at a lower tax rate. And the ESS says nothing about the quality of work so it would not achieve equality across an index that includes labour burdens.<sup>4</sup> If my peak earnings job is one that I hate and yours is one that you love, equalising peak earnings will leave me worse off than you. However, White does not spend much time on these problems for the ESS because, one gets the impression, he cannot see the point when it is infeasible for motivational reasons. The specific problem he mentions is that people with an above-average earnings potential would have an incentive not to reveal the information necessary to work this out. This makes the ESS

<sup>3</sup> As an aside, note that this could have the effect of making it wrong for someone with considerable potential to care for his own children. That kind of care work would not count as fulfilling his obligation, and instead he could be morally required to hire someone with less potential to look after his children. There is perhaps something odd about an egalitarian theory that requires domestic service.

<sup>4</sup> On these matters and my own ideal scheme, see T.M. Wilkinson, *Freedom, Efficiency and Equality* (Basingstoke: Macmillan 2000).



infeasible in the foreseeable future. So White wants to find a threshold of justice that, although not ideal, would be feasible and just enough to support duties of reciprocity. (Although he is clear that society ought not to rest content with achieving this threshold. Justice does require more than that, if possible.)

White thinks the threshold can be given by looking at what would be necessary to avoid the evils of the proletarian condition and these are: (1) no unchosen poverty; (2) adequate protection against exploitation and abuse; (3) opportunities for self-realisation in work; (4) less class division through reducing inequalities in inherited wealth and education; and (5) protection from discrimination on morally arbitrary grounds. (90).

The threshold achieves what White calls non-ideal fair reciprocity. It provides the theoretical basis for the later institutional ideas that collectively sum to the civic minimum. In the background of the book, these institutional ideas include guaranteed access to health care and education and many other features of the welfare state. In the foreground, White likes a basic income, although he thinks it should be time-limited and perhaps targeted to the worst off. Universal unconditional basic income at or above subsistence level has the drawback, from the point of view of reciprocity, of permitting people to live without working, thus failing to reciprocate. For the same reason, welfare without a work commitment can also be unjust, so White argues that the contributive obligation should be enforced through a work test (sec. 6.2). And the use of basic capital should be substantially restricted to activities that will allow someone to make a productive contribution, such as starting one's own business or paying for higher education. People should not be able to cash in the basic capital and live off it. Moreover, for reasons of fair reciprocity, basic capital can be financed by taxing inheritance steeply. Inheritance is objectionable partly because it causes inequality and partly because it allows some to live without working, and hence without contributing.

So much for the theory. One feature of White's presentation is that there is not much argument for the main positions. While the conclusions are often plausible, they are not shown, and since conflicting conclusions are also plausible, this is a bit of a problem. Here are some examples. As I have said, justice as fair reciprocity includes a

substantial egalitarian element. White believes that justice requires the elimination of brute luck inequality. But apart from a quick mention of equal worth and dwindling popular support for equality of opportunity (33), he does not say why this is so important. And while he does confront some of the arguments against this (in sec. 2.4), he does not deal with some of the strongest ones, which involve doubts about the importance of comparative principles like equality,<sup>5</sup> or with the objection that a concern for equality requires levelling down,<sup>6</sup> or with arguments that inequality due to mere brute bad luck are either less important than socially caused inequalities or not a matter of justice at all.<sup>7</sup>

Nor does White say why reciprocity should be taken in the distinctive egalitarian way he suggests. He says that egalitarians tend to think of all goods as being a social product in one collective pot, and that is how he thinks of them (61), but he does not say why this is the right way to think of them. Some argue that all goods and services should be thought of as a social product because it is not possible to disentangle individual contributions, but White cannot say this. He agrees that his contributive obligation can require people to put in less or more than they took out, something that would make no sense if individual contributions could not be disentangled.

White also does not justify the threshold that he picks for non-ideal fair reciprocity. All he says is that egalitarians have tended to object to the proletarian condition (87), and meeting his threshold of ending poverty and the like is what it would take to avoid that. But why these conditions and not others? And why should meeting these conditions be enough? Even if he is right about what it would take to abolish the proletarian condition – something that he does not spend much time showing – we would still want to know whether this is the right threshold to trigger obligations of reciprocity, and why doing these things to avoid the proletarian condition are enough for non-ideal justice. White thinks that those left worse off in non-ideal fair reciprocity are getting less than what justice ideally requires. He thinks that ideal

<sup>5</sup> Joseph Raz, *The Morality of Freedom* (Oxford: Clarendon Press, 1986), ch.9.

<sup>6</sup> Derek Parfit, 'Equality or Priority?' in M. Clayton and A. Williams (eds.) *The Ideal of Equality* (Basingstoke: Macmillan, 2000).

<sup>7</sup> Thomas Nagel, 'Justice and Nature' in his *Concealment and Exposure* (New York: Oxford University Press, 2002).

reciprocity is infeasible for motivational reasons. Thus his view must be that the worst off are made worse off than justice requires because the better off are making justice impossible. Since they are being let down by those better off, why are the worse off obliged to reciprocate in full?

How much of a drawback is this lightness of argument? Perhaps not too much of one. Those unsympathetic to egalitarianism or reciprocity will not be persuaded, but perhaps they would not be anyway. The advantage is that a lot of ground can be covered in a short space, that arguments made by other authors need not be repeated at great length, and that what is here is thought-provoking. I found myself making objections, then thinking of counter-replies, then more objections, and so on, something that tends to happen rather less with a tightly-argued book. This is, I think, a good thing and I now want to give some of the thoughts the book provoked in me.

The first set of thoughts is to do with the implications of reciprocity and its conflicts with other values. While White is concerned about people who could reciprocate by working, but do not, what about those who could avoid imposing burdens, but do not? White says that reciprocity requires people to 'make a reasonable effort to avoid imposing a material burden on [others]' (62). Now consider the question of our responsibility for our health. White is clear that there should be guaranteed access to health care as part of a basic minimum, but he does not say what should happen to those who are responsible for needing health care. Let us take the example of a morbidly obese patient. (Smoking is worse for health than obesity, but even leaving aside the taxes that they pay, smokers do not impose net costs on others, since they tend to work a full productive life and then obligingly die before collecting their pensions.)<sup>8</sup> Do obese patients fail to reciprocate by imposing a net burden on the health system? At first glance, the answer seems to be that they do. Obesity is hardly like cystic fibrosis, something that will inevitably develop in those with certain genes who survive. Admittedly, there are questions about how responsible people are for eating too much and not exercising, but these are no different from

<sup>8</sup> Steven Wilkinson, 'Smokers' Rights to Health Care' *Journal of Applied Philosophy* 16 (1999).

questions about people's responsibility for being work-shy, and White is not on that account inclined to let the work-shy off the hook of his work test. Should we make obese patients pay for the costs of their health care? It is sometimes proposed to tax fat along the same lines as tobacco or alcohol, but few in preventive health think this practical. So the question comes down to whether obese patients should have to pay the costs of their medical treatment or, if they cannot, be denied it.

There are lots of good arguments against holding people financially accountable for their ill health, even if they are responsible for it. One might be put in terms of White's own democratic mutual regard. It might be said that we fail to show proper respect for people's interests by not recognising their – and our – fallibility as human beings and by being so hard-hearted in the face of their all-too-human propensity, in this case, to overeat and under-exercise when given the chance. After all, we all do silly things. One would have to get a bit carried away with the idea of holding people responsible to deny treatment to someone whose liver has failed because he foolishly ate death cap mushrooms without checking his guide to fungus.

There are two lessons from this. First, the inference from democratic mutual regard to reciprocity is dubious. This is absolutely no surprise. Democratic mutual regard, while no doubt correct, it is simply too abstract to be able to rule in or out any but the most extreme, and often no longer viable, political views, such as aristocracy or racism. So while one can tell a story, as White does, about how democratic mutual regard requires reciprocity, one can also tell a story, as the example of responsibility for health implies, about how an insistence on reciprocity could be a violation of democratic mutual regard.

Second, the example implies that there are other values that may conflict with reciprocity and equality, and this may spoil his conclusions. This is rather obscured in White's presentation. He is concerned that no one suffers poverty through no fault of hers, and that no one suffers exploitation, even if it is her fault they are in such a mess that she can be exploited (133). But he does not mention people who suffer poverty through their own fault but are not exploited (as the morbidly obese might not be, if they are unable to work). What happens to them? If charging the obese for expensive dialysis is ruled out, because of whatever value that precludes leaving people to stew in their own juice, then perhaps intrusive work tests should also be ruled out. No doubt the

costs to someone of meeting a work test are lower than the costs of paying for or being denied certain kinds of medical treatment. But then the costs imposed on society by someone's failing to meet a work test are also often smaller than the costs of medical treatment, so it would constitute less of a failure of reciprocity.

To be fair to White, he does say that claimants should have rights to be treated with dignity (141-2), and that the work test should probably not be enforceable by imprisonment (146), so he may want to rule out intrusive work tests anyway. What we do not have is a sense of what the other values are in addition to equality and reciprocity, and how we are to take them into account when assessing White's proposals. Consider efficiency. Welfare reforming governments often toy with the idea of making unemployment benefit conditional on working – so-called workfare – but they often drop it once they see the financial costs involved. White is not actually that keen on workfare, but it does raise the question of how financial and other costs should be taken into account when assessing workfare or other policies that reciprocity might recommend, something about which White does not have much to say.

The next set of worries is about White's egalitarian conception of reciprocity. White clearly thinks of this as an integrated conception, but I wonder whether it is an attempt to bolt together two different and sometimes conflicting ideas. The ideas behind reciprocity are to do with the unfairness of exploiting people. The main cases White gives are of free-riding on the collective efforts of others, and taking advantage of some market imperfection and other people's needs to pay less or charge more than some good or service is worth in a competitive market. The leading idea behind White's egalitarianism is basically that people should not be worse off than others through no fault of their own. But these ideas can come apart. White himself gives some examples, including a rather wowseryish one about the immorality of lotteries (72-3), but here are a couple more. One is the example Alan Wertheimer gives of a snowstorm rescuer: someone who digs people's cars out of snowdrifts in return for an exorbitant fee. No doubt it will often be the case that the rescuer is worse off than the victim, but that does not make it seem much less reprehensible, even though the transaction reduces

inequality.<sup>9</sup> Nor would it be all right for someone to jump a bus queue even if she had had a worse childhood than anyone else in the queue.

Reciprocity, then, can conflict with equality and sometimes win. Perhaps the conflict can be avoided if a scope restriction is put on equality, and on reciprocity. The reciprocity in the examples belongs more to micro transactions rather than the overall basic structure. In this respect, it seems like restitution, where those who have harmed others, say by running over their dog, must pay compensation even if that would increase the inequality between them. However it is expressed exactly, the idea is that reciprocity and equality belong to different spheres. But that then calls into question White's attempt to blend them.

The next problem with the integrated conception of equality and reciprocity involves White's own account of the contributive obligation. White argues that, if the conditions are right, people are obliged to contribute some proportion of their potential. He is pushed into this by his egalitarianism. If the obligation were based on reciprocating what one has actually taken, it would be easier for some to fulfil than others, and thus would cause inequality. But the drawback is that the obligation then seems to be inconsistent with intuitions about reciprocity. As White says, some people would be required to put in more than they take out. But this, intuitively, is not only not required by reciprocity but condemned by it: it could make exploiters of all the rest. White concedes that his account of reciprocity is 'somewhat revisionary' (66), but it seems to me more like not an account of reciprocity.

White himself seems to feel the tensions in his account of reciprocity. He makes the contributive obligation conditional on actually receiving at least the civic minimum. This squares with the concept of reciprocity: you cannot reciprocate unless you have received something to reciprocate. But it does not square with his egalitarianism. Since the contributive obligation can require people to put back more than they took out, why would this requirement only be triggered in the event that you took something? Why would you not be obliged to give something for nothing, if you can otherwise be required to give more than you have got? And indeed, White argues at one point that people can be obliged to give without receiving. Hermitians, that is, people who just want to live

<sup>9</sup> Alan Wertheimer, *Exploitation* (Princeton: Princeton University Press, 1996), 4-5, 216.

off their entitlements to a share of undeveloped resources, have obligations to help those disabled or in poor health (165), even though by hypothesis these obligations could not be required by reciprocity. My fear is that in trying to blend equality and reciprocity, White is arbitrarily picking the bits he likes to get the conclusions he wants.

Most of the criticisms in this review have been along the lines that the foundations of White's theory are at best underdeveloped and that the tensions between them put the institutional superstructure at risk. But as I said earlier, *The Civic Minimum* is thought-provoking and stimulating in part because of this underdevelopment, so I do not know how much of an objection this is to his book. More foundations would probably mean more book, and there is a lot to be said for short, or short-ish books. Hardly anyone reads long books, for a start.

Review:

## Life on Low Wages<sup>1</sup>

Bill Jordan

**B**OTH THESE BOOKS report three-month periods living on low wages in three different regions, of the USA and the UK respectively. Fran Abrams, an investigative journalist, modelled her experience on that of the American writer Barbara Ehrenreich, whose book was a best seller in the USA. Both took up the challenge of finding work and accommodation which reflected the actual conditions of those at the lowest stratum of the formal labour market in two relatively unregulated affluent economies. Both accounts are very well written, and provide vivid documentation of the social as well as the economic relations of these experiences.

By choosing three contrasting locations, as well as three different kinds of low-paid work, each was also able to make comparisons between subsistence-level lives in contrasting parts of their countries. The fascination of the books lies in tracing how the complexities of race,

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<sup>1</sup> Barbara Ehrenreich, *Nickel and Dimed: Undercover in Low-Wage USA* (London: Granta Books, 2002); Fran Abrams, *Below the Breadline: Living on the Minimum Wage*, (London: Profile Books, 2002).

gender, class and industrial sector played out in the power relations described, as well as how workers resisted, supported each other or colluded in their own exploitation in each of these settings.

Two of Barbara Ehrenreich's experiences were in multi-ethnic, urban locations – Key West, Florida and Minneapolis, Minnesota – and the third was in Maine; she worked in food outlets in Florida, for a cleaning company and a care home in Maine, and for *Walmart* in Minneapolis. Her jobs were therefore all in the service sector, involving direct contact with the public (although as a cleaner this was mediated by the firm, *Merry Maids*, who contracted with the householders she served, and in *Walmart*, as a clothes folder, she contrived to be almost invisible to the shoppers).

Fran Abrams' study was more specifically targeted at researching the impact of the (then new) minimum wage legislation. She worked as a night cleaner at the Savoy Hotel in London, where almost all her colleagues were foreign students, mostly African; at a sauce factory in South Yorkshire; and in a private-sector care home in Scotland. In these two jobs almost all her colleagues were white and local. Significantly, as it turned out, one was also an industrial rather than a service employment.

Among the many shifts in social and economic relations charted in these accounts is the relationship between women in the workplace. In both the USA and UK, there has been an enormous rise in the rates of economic participation by married women, as much to make up for the shortfall in household incomes through declining male manual wages as to satisfy rising aspirations among women.

These studies describe the extraordinary endurance of women in physically exhausting work situations – waiting tables, cleaning houses and hotels, caring for fragile elderly people – often at the cost of their health. They also illustrate how women's desire to do a good job, to give informal support to each other, and to please members of the public or care for the vulnerable, can often be ruthlessly exploited. More subtly, such employers often deploy equally determined and conscientious female staff as supervisors, and they are instrumental in driving their subordinates harder than might have been possible in a male-dominated hierarchy. Themselves driven and stressed out, such figures as Holly of

the *Merry Maids*, or Anna, the African supervisor at the Savoy, are among the most vivid and ambiguous in the books.

In Barbara Ehrenreich's experiences, the hospitality customers at Key West, the shoppers in Minneapolis, and (above all) the affluent home-workers in Maine, come across as greedy, self-obsessed and inhumane. This is not the case in Fran Abrams' descriptions, though she gave direct service only to elderly residents in the Scottish care home. Indeed, in two of her three employments, the balance seemed to fall slightly on the side of humanity, humour and solidarity, rather than rivalry and unkindness. In the sauce factory in Yorkshire, despite the disparity in pay and conditions between agency temps like herself and regular staff, and the exhausting unpleasantness of the work, the (male) supervisors were funny, friendly and quite considerate, and the overall ethos supportive. Was this because of the survival of mining and factory traditions from an older working-class culture, a regional variation, or a reflection of the advantages enjoyed in a virtually all-white environment? Similarly, the care home conditions in Scotland were not alarmingly unpleasant, and staff were generally kind to each other as well as to residents.

Both studies reveal that the experience of poverty is as much a consequence of high accommodation and transport costs as low pay. Both authors stayed in some places which were sordid and expensive, but here again Fran Abrams fared relatively better, finding a damp but peaceful caravan in Doncaster, and a fairly convenient and comfortable hostel in Scotland. These experiences allowed them to observe and describe in memorable detail the lives of their neighbours and work colleagues, an extraordinarily diverse tapestry of stoicism, recklessness, perseverance and fantasy.

Barbara Ehrenreich was amazed that her colleagues were so unwilling to contemplate collective action to improve their situations; at *Walmart* she briefly canvassed forming a union branch. Her focus was mainly on what made low-paid workers strive to achieve their supervisors' approval, rather than to resist their demands. She was also outraged by the indignity of drugs tests (*Walmart*), and the hypocrisy of 'training' and 'induction' rituals. Fran Abrams was more concerned with the inadequacy of the minimum wage, and how easily firms were able to evade it, with illegal extra charges and deductions. Her focus was more on the role of government in better regulation and standards.

But there is another whole set of issues here, for which the books supply much evidence, but little analysis. What is distinctive about the 'service economy', with high rates of female participation and low wages, and what are its consequences for well-being, for social relations generally, and for collective life? As Ehrenreich points out, the market economy runs on information and mobility; these workers had neither. They were especially open to exploitation, because their domestic situations made them unable to move far, and because they wanted to give good service. Policy analysis should take over where these books leave off.

Review:

## The Wright Stuff: Erik Olin Wright and the Rehabilitation of Social Class

Alan Carling

THE ADDITION OF FIRST GENDER AND THEN RACE to the agenda of social inequality in the 1970s and 1980s seems to have been accompanied by an unwarranted decline of attention to social class, which has slipped so far down the political and intellectual agendas that it hardly registers these days on the radar screens of Anglophone public discussion. The factors behind this displacement of concern include the collapse of the Soviet Union, linked in both obvious and less obvious ways to the decline of Marxism and socialism in the West, the electoral politics of parties of the historic left such as New Labour in the UK and the Democrats in the US, and a variety of more general influences. Sheer intellectual fashion may be a part of the explanation. Then there is the destructive effect of the postmodern turn in the social sciences, and the linked obsession with identity politics. The former has severely weakened the long-standing tradition of empirical work on social inequalities that used to underpin the debate on social class, and, while

there is nothing in principle to prevent the construction of an identity politics around class, there seems to have been a tacit association between social class and material interests that makes gender and sexual orientation, or race, ethnicity and religion identity's more natural home.

If and when the topic of social class stages its much-needed comeback, Erik Olin Wright will deserve much of the credit. His doubly-unfashionable preoccupation, which has become a life's work, is first to refine and adapt concepts of social class to contemporary circumstances, and second to subject his adapted concepts to a battery of empirical tests. This project, summed up most recently in the abridged edition of *Class Counts*,<sup>1</sup> has been accomplished in an admirable spirit of open enquiry than is closer to the theoretical ideals of social science than its customary practice. The geographical and cultural scope is wide – from Sweden to Japan – and the data sets are huge. It would lack sympathy with the scale and complexity of the task Wright has undertaken to criticize his results because the scope is not universal, because the data collected varies somewhat between countries, or because the data sets would have to be even more enormous in order to deliver significant findings for some of his more refined hypotheses of class structure.

### Wright's Conception of Social Class

Although the roots of Wright's approach to social class pre-date his encounter with Analytical Marxism, he has now achieved a seamless convergence of these original views with the exploitation-centred theory of John Roemer, in a process of successive approximation evident through the sequence of works preceding the current volume.<sup>2</sup> To deliver Roemer's theory in a state fit for empirical test is itself no mean achievement, given the level of neoclassical abstraction at which Roemer operates.

The nub of the approach is to start with the received Marxian conception of class division based on ownership of the means of

<sup>1</sup> Cambridge: CUP, 2000.

<sup>2</sup> *Class, Crisis and the State* (London: New Left Books, 1978); *Classes* (London: Verso, 1985); *Interrogating Inequality* (London: Verso, 1994).

production, and then to differentiate within the class of non-owning employees using two additional dimensions of resource ownership – involving authority relations and scarce skills respectively. Wright introduces a tri-partite division among owners, and tri-partite distinctions by both level of authority and level of skill among non-owning employees, to yield the 12-fold standard model of class structure reproduced as Figure 1.

<b>Owners</b>	<b>Employees</b>		
Capitalists	Expert managers	Skilled managers	Nonskilled managers
Small employers	Expert supervisors	Skilled supervisors	Nonskilled supervisors
Petty bourgeoisie	Experts	Skilled workers	Nonskilled workers

Figure 1: Wright's elaborated class typology.<sup>3</sup>

It can be seen that Wright's intermediate classes, the celebrated 'contradictory locations within class relations' from his earliest work, have reappeared in the middle cells of the matrix of class positions. 'Skilled supervisors' for example have a foot in both camps: they are employees like the dispossessed proletarians in the lower right hand cell of the matrix, but possess resources of both authority and skill that draw them closer to the unequivocally bourgeois position in the upper left hand corner. How far the working class extends depends on how far from the proletarian corner the outer boundary of the class is drawn, and which 'contradictory locations' are therefore deemed sufficiently contradictory to spring their occupants out of the class altogether.

### The Non-death of the Working Class

Wright's major finding is that the Marxian class structure is alive and well, with roughly similar shape, in each of the six developed countries

<sup>3</sup> Adapted from *Class Counts*, Figure 1.2, p.22. 'Owners' are owners of means of production.

under principal scrutiny: Canada, Japan, Norway, Sweden, the United Kingdom and the United States. The unambiguous proletariat forms by far the largest class in every country, between 35% and 49% of the samples, with a majority of the population belonging to the 'extended' working class (which includes skilled workers and unskilled supervisors). Sweden is the most proletarianised country, with about 70% in the extended working class. Japan has only just over 50%, but this is because of the very large petty bourgeois sector in Japan, almost a quarter of the total population. The other four countries have about 60% working class in the overall population, and it is a consistent result that around three-quarters of all *employees* in every country are in (extended) working class occupations.

Class is thoroughly gendered, too, with much higher proportions of women everywhere belonging to the working class than men (by direct class location), the excess proportion ranging from just below 20% (US) to nearly 30% (Norway). In the US at least, the class structure is racialised as well, with higher proportions of both black men and black women in the working class than their white counterparts. For black women, the proletarian proportion is a staggering 87%, whereas for white men it is around 50%.

Wright evaluates recent changes in class composition for the US, comparing the classical Marxian thesis of deepening class polarisation with the opposite prediction of post-industrial de-proletarianisation. He comes down on the side of the post-industrialists on this point, since the trend from 1960 to 1990 involves an increase in supervisory and expert class locations at the expense of working class ones, caused by both inter- and intra-sector shifts. It is arguable nevertheless that Wright, with characteristic intellectual generosity, has given away more than he needs to his post-industrial opponents. It is true that the numerical trends are in the directions indicated, but the magnitudes are modest. The expert category has doubled, for example, in the US, but from only 3.5% to 7% of the class distribution – just over 1% *per decade* – which is why the proportion of working class locations can remain so high. This does not look like a wholesale transformation in the class structure of the United States.

It is an important point moreover that any statistics on the class structure of Western capitalism that are confined to developed countries

will miss the displacement of proletarian occupations *to* the developing world, under corporate outsourcing policies and other features of globalisation. So the survey findings reported by Wright are likely to underestimate both the extent of and the trends in contemporary proletarianisation, taking global capitalism as the proper unit of analysis. All-in-all, then, Wright shows that the death of the working class has been much exaggerated, and, if the class is in decline, the process is a long and gradual one. This fundamental conclusion sets the context for a number of more detailed hypotheses considered in the book.

### The Permeability of Social Class

The question of permeability of class boundaries concerns the extent to which class location shapes lived experience: to what extent does difference on the three dimensions of property, skill and authority act to seal off the working class in terms of social mobility, friendship and/or intermarriage?

Wright's great strength as a social scientist lies in his ability to translate a general question such as this into a set of specific and testable hypotheses, typically derived from differing theoretical perspectives. Testing a given hypothesis thus serves also as a critical experiment for adjudicating between the claims of rival perspectives, at least within the limits permitted by the muddy data typically available to social science. Wright's use of this technique has been mentioned already in connection with post-industrialism. In matters of permeability, the Marxists' interlocutors are the Weberians, and latterly Bourdieu, who in various ways play down the property basis of class division in favour of a more agnostic multivariate approach to the structuration of life chances, moving their explanations in a graceful arc from economic capital to social and thence cultural capital.

The first, somewhat surprising, result is that there is very little national variation in the permeability of class boundaries (and none that is statistically significant). This suggests that we are indeed dealing with the effects of something like a capitalist mode of production, which transcends localised cultural influences, even those that operate on a national scale. The second finding is that permeability is often very low, which means that social class location does indeed create barriers to social interaction: class is not just a statistical construct, but has a major



impact on lived experience. This is hardly startling news to a Marxist, but it is nice to see the point confirmed so graphically from the data. The third finding is that property ownership, at least as this is reflected by the distinction between employers and employees, creates the highest barriers to interaction, which runs at only about a quarter the level expected on a random basis. This confirmation of the Marxian view on class is further reinforced by the fact that the effects of the different dimensions of class are shown to be mutually reinforcing: the groupings defined by Wright's classes seem to embrace their own composite social worlds, irreducible to the underlying factors of property, authority and skills.

The last finding in this section is that difference on the skills dimension creates consistently greater barriers to interaction and movement between classes than difference on the authority dimension. Skills differentials typically reduce the level of social interaction between the respective class members by about a half, whereas authority differentials sometimes have very little effect at all, leaving the interaction at or near the level expected on a random basis. It will be a sobering thought for left-wing advocates of the progressive role of education that the average University teacher is doing much more to entrench class divisions than the average boss who promotes a worker from the factory floor.

Combining all the data, the proletarians in every country are closest in social distance to the petty bourgeoisie, next closest to managers and supervisors, followed by the skilled and expert classes in order of expertise, with employers occupying the rear, the furthest away from the working class. The conclusions once again conform to broad Marxian expectations, with a shot in the arm for Bourdieu's cultural capital, and one in the eye for Dahrendorf's managerialism.

A slight exception to this pattern, and to international consistency, is the case of intergenerational mobility in Sweden (and to a lesser extent, Norway). In these cases, property ownership offers less of a barrier to social mobility than in the two North American countries, and the hierarchy of authority more of a barrier. This result offers the first clue from the research as to where, and how, variations in the national regimes of capitalism make a difference to class structure. The suggestion is that the less regulated regimes of North America are

responsible for both effects, but deregulation works in opposite ways on the respective dimensions: roughly, loosening of controls on capital markets increases class barriers (presumably because inequality of property holdings is amplified by the workings of free markets), whereas loosening of controls on labour markets reduces class barriers (by undermining social differentials).

Although Wright does not draw this conclusion explicitly, the lesson seems to be that the most egalitarian reform of capitalism would combine Scandinavian levels of capital regulation with North American levels of deregulation in the market for authority. And the logic also requires the deregulation in the market for skills, which might add a Puerto Rican ingredient to the egalitarian recipe, in homage to Ivan Illich. At all events, all three moves would seem to be required if the aim is to increase the permeability of social class boundaries, thus maximising the accessibility of other class locations to members of the working class.

### Class, Gender and Identity

The data on permeability discussed in the previous section come from male survey respondents only. This apparently one-sided procedure seems justified, or at least compensated, by the consideration given elsewhere in *Class Counts* to the relationship of class to gender, which occupies four chapters in the middle of the book.

The class-gender discussion sets out from the observation that the grid in Figure 1 tabulates what Wright calls *direct* class locations, centred on the production process, thus giving rise to 'production-centred class experiences'. But individuals can also stand in *mediated* class locations. These arise from domestic relationships with other people who have their own direct class locations in virtue of property ownership, employment or the possession of skills. Occupancy of such mediated locations creates a second species of class interests, related typically to 'consumption-centred class experiences'. The overall class identity of an individual combines the effects of direct and mediated class locations.

The useful general message is that most of us are tied to the class structure in several different ways, which can pull us in several different directions. Wright nevertheless uses this canny device mainly to sort out,

and then to test, John Goldthorpe's notorious 1983 contention that married women derive their class position more from their husband's occupation than their own, even where the women concerned are also in paid employment. The Goldthorpe conjecture holds in effect that men occupy class positions directly, whereas the class position of married women is always 'mediated' through their husband's socio-economic role. Wright's response is evidently to treat *everyone* as having *both* direct and mediated class positions, and then to investigate empirically the circumstances under which either the direct mode or the mediated mode of class location become more salient, for different groups of women or men. In this way, the Goldthorpe conjecture is subject to a critical test, conducted in this case on the data for Sweden and the US alone.

The social laboratory for the test is the cross-class family, whose domestic partners have bucked the general trend against class intermarriage. Since the direct and mediated class locations of the partners in cross-class relationships pull in opposite directions, the outcome in terms of the respective class identities offers an index of the comparative weights of the direct and mediated processes.

The interesting conclusion of the test is the central importance of national context. In the US, the class identities reported by both women and men in cross-class families correspond almost exactly with the proportions reported for class-homogenous families corresponding to the husband's direct class location. This evidence is consistent with the Goldthorpe conjecture. In Sweden, on the other hand, there is evidence that the class identities of both women and of middle class men are affected by both the individual's direct class and their partner's (different) class location. So the Goldthorpe conjecture does not apply in Sweden (except possibly among Swedish working class men, where the evidence is less clear-cut, and closer to the US pattern).

Wright argues plausibly that this finding reflects the lesser dependence of wives on husbands in the Swedish context. This is partly a matter of economics, caused by the greater contribution of women's employment to household income, and partly a matter of politics, both the class politics of production in the work-place and the welfare policies of the Swedish state. The subjective expressions of identity thus conform with the objective situation: Swedish women determine their

class allegiances more independently *of* their family situation because they are more independent *within* their family situation. The corollary suggestion for middle class men in Sweden is the reverse: their class identities are determined less independently than their US counterparts because they are more dependent on their domestic partners. In Sweden, then, there tends to be class compromise in those cross-class households that contain a middle class husband, and domestic class division (at least in terms of identity) in those with a working class husband. In the US by contrast, there is class subsumption of the wife's identity to that of her husband, regardless of the latter's class location.

### Class and the Domestic Division of Labour

Wright uses the data from cross-class families to investigate another set of questions surrounding the domestic division of labour. It is well known from other studies that variations in the direct class locations of domestic partners should have internal repercussions on the organisation of the household – in the limit, a domestic role reversal in any household in which the woman has a higher earning potential than the man.<sup>4</sup> In a disarming passage,<sup>5</sup> Wright explains how he was desperate to find such effects in his data, which would vindicate a kind of class politics of the domestic sphere, and how the data defied all his best endeavours. There is very little variation to be found in the male contribution to housework according to the class composition of the household, and the proportionate contribution of the men hovers firmly around the 25% mark in nearly all categories of household. There is also an extremely modest variation by national context, with progressive social democratic Sweden coming out at no more than two or three percentage points higher in most categories than backward macho America (and with no statistical significance for the difference). The worst male offenders are to be found in fact among the Swedish petty bourgeoisie, who only manage to do 16% of the housework. Although the slight differences in the Swedish case may be ascribed to the egalitarian gender policies of the Swedish state, the overall impression is of the stubbornness of

<sup>4</sup> See for example my *Social Division* (London: Verso, 1991), Part III.

<sup>5</sup> *Class Counts*, pp. 155-56.

inequality between the genders within the household, and the gender basis of that inequality. Wright's pithy conclusion conforms fully with the results of other studies: 'the class effects [on household labour] are robustly weak'.<sup>6</sup>

We can see by now that a fascinating pattern of results is beginning to emerge from this set of related investigations. In some cases, class has a very obvious effect; in others it does not. In some cases, the class effects are transnational, and therefore by presumption systemic to capitalist society. In other cases there are important national variations. Some cases of national variation can be traced plausibly to variations in the way capitalism is organised locally; in other cases the variations seem to be the more or less deliberate consequences of state policy, especially welfare policy. Yet there is no sure-fire recipe for what constitutes an egalitarian initiative: some markets may need to be liberalised, for example, and others de-liberalised. And egalitarian policies seem to work much better in some areas than others, in terms of generating an observable impact on the macroscopic distributions of social characteristics. All these kinds of information are evidently necessary in order to decide which interventions are going to generate egalitarian consequences, but it is difficult to guess in advance which type of policy is liable to have which kind of effect. This is why the kind of empirical work undertaken by Erik Wright is so important, not just for the sociology of class and social division, but for any *politics* of class and its related inequalities.

### Gender, Work Authority and the 'Glass Ceiling'

This point is exemplified by the final issue of class-and-gender taken up by Wright, the question of gender and work authority. He views the survey data as a random sample of the respective positions of men and women in hierarchies of authority at work, and constructs a 'net gender gap' – a statistic of discrimination with values running from zero to one

<sup>6</sup> *Class Counts*, p. 158. Compare the identical conclusion of the cross-class families test reported in *Social Division*, pp. 285-92.

– that controls for a wide range of other factors, and thus isolates the specific effects of gender on the distribution of authority.

The main finding is the impact of national context. It is no surprise that Japan has the greatest net gender gap, with an index of 0.98, very close to the maximum value of 1.0. This is patriarchy in a literal sense: the authority structure is occupied exclusively by men. It is more of a surprise that the net gender gap is next highest in the Scandinavian Countries, at around 0.8, followed in descending order by Canada, the UK and Australia, with the US as the most egalitarian country, showing an index of 0.36. There is no evidence that these patterns result from processes of self-selection by women, in terms of family and childcare commitments (except in the case of Canada, an apparent anomaly in the data which Wright is unable to explain).

There is also no evidence for a 'glass ceiling', that is, an especial barrier to women's promotion at the highest levels of authority. Instead, there seem to be glass shelves – barriers to progression of similar strength at every level of the hierarchy. The telling point here is an arithmetical one. Because promotion through a hierarchy is a cumulative process, a reduction in the numbers of women at each of, say, six levels by, say, 50% at each level can leave the highest level with only 1% of women.<sup>7</sup> A constant but cumulative process can therefore produce a result that looks like the operation of a glass ceiling.

The conclusion seems inescapable that a consistent pattern of discrimination against women's promotion at all levels of the hierarchy is the main cause of the net gender gap in every country, but with considerable national variation in the intensity of discrimination. The explanation for the national variation seems consistent with the remarks made above about the market in authority. Gender inequalities are reduced most where there is a conjunction of a) a competitive ('capitalistic') process of individual advancement and b) an ideology of non-discrimination. This combination applies especially to the US, and to a lesser extent to the other Anglophone countries. Scandinavia lacks a) but not b), so there is less reduction in the gender gap. Japan's lack of both a) and b) accounts for the persistence of a more literal patriarchy. But it is food for thought that even in the most egalitarian country, the

<sup>7</sup> *Class Counts*, p. 165.

odds of a man occupying a position of authority turn out to be almost double the odds for a woman.<sup>8</sup> Labour market competition and an ethos of equal opportunity have only gone so far in tackling sexism in the workplace.

### Class Consciousness

The classical Marxist thesis is that class location leads to class consciousness, which leads in turn to class organisation and thence class transformation, hopefully in socialist directions. Wright concentrates his attention on the first link in this chain, from location to consciousness. He tests for class consciousness by means of an 'anti-capitalism scale' which rates the answers to consciousness-related survey questions from plus ten (corresponding I guess to Vladimir Ilyich Ulyanov's questionnaire return) down to minus ten (Milton Friedman's?). The issue is how far consciousness reckoned on this scale correlates with class location in each of the three countries included in the test – Japan, Sweden and the US.

The empirical conclusions offer a nice combination of transnational, systemic, results with significant national variations. The systemic results accord with Marxist views. Class consciousness exists in each country, and (subject to a few exceptions) it varies monotonically with class location in the anticipated directions: anti-capitalism is most marked among workers, and pro-capitalism most marked among capitalists, with the intermediate classes strung out in between.

What varies considerably from country to country is the *range* of class consciousness across classes, and the *levels* of pro- or anti-capitalism in particular classes. Sweden is by far the most polarised of the countries, with the most anti-capitalist workers (+4.6 on the scale) and the most pro-capitalist capitalists (-3.4). Japan has the narrowest range of attitudes – it is the most consensual – and even the capitalists are marginally anti-capitalist (+0.2). The surprising fact that every class comes out as anti-capitalist in Japan invites the question of why capitalism exists there, if everyone is against it. The findings from Japan

<sup>8</sup> *Class Counts*, p.159.

are however subject to some methodological caveats – including the cultural relativities of survey questions – that should induce cautious interpretation. The US lies between these two cases, with a distribution of consciousness that resembles Sweden's, but in a more compressed range (+2.7 to -2.6 on the scale).

There are also some interesting national variations in the make-up of the class consciousness of classes *relative to* other classes in the same country. Those high up the social scale in Sweden (but short of the bourgeoisie itself) are both more anti-capitalist and closer to the classes just beneath them than in the United States. This corresponds to the classical image of a very small capitalist class with rather few bourgeois allies. In the United States by contrast, it looks as if pro-capitalist attitudes have penetrated further down the class structure, to all grades of managers and even to supervisors classified as experts on the skills dimension. The pattern in Japan differs because a bourgeois level of consciousness is associated more with expert status than with occupancy of a managerial role, and because the petty bourgeoisie is closer to a proletarian than to a middle class consciousness. The important general lesson is that the definitions of class boundaries need to be sensitive to questions of consciousness, so that the composition of, say, the 'extended working class' will vary according to national context. Wright uses this insight to construct 'class coalitions' that are characteristic of particular national formations: 'the working class' is not a universal historical subject, though it does seem to have some universal components.

The other general point is that the national variations in class consciousness can be related quite plausibly to variations in institutional structures between the countries. These include the balance between state and private sector employment for the middle classes (Sweden vs. US), the forms of corporate organization (US vs. Japan) and of unionization (Japan vs. Sweden).

It is arguable that Wright's basic theory needs to be extended to embrace this insight more explicitly. Institutional structures generate material interests for their occupants. These can range quite broadly, from employment in a capitalist corporation, to membership of a voluntary association such as a trade union or a body of professionals, to family relationships, long-term financial schemes (such as superannuation) or citizenship of a particular state that carries benefits

for its members. It is a moot point which of these interests should be considered 'class interests' in the full sense. But whatever they are called, it seems that the main variations in class consciousness are explicable in terms of the configuration of material interests. This would seem to vindicate the classical contention that being determines consciousness. Contrary to postmodernist assumption, class signifiers do not float free: they are anchored in class structure.

### The Agenda of Class Politics

The excellence of Wright's achievement in its chosen field of sociological analysis is not in doubt. The question nevertheless arises how this achievement relates to the broader agenda of class politics.

Wright acknowledges freely<sup>9</sup> that, although his class concept is exploitation-centred, he does not deal with the normative aspects of exploitation, which act of course as motivating factors for an emancipatory politics. His chosen dissection of the class structure is nevertheless helpful in this respect, since each of its main dimensions relates to an identifiable strand of recent political philosophy. The property dimension is closest to the heart of Roemer's original theory, and the normative debates surrounding it; the question of the respective returns to inherited skill and self-chosen effort has been discussed exhaustively within egalitarian liberalism, and the authority dimension raises issues of democratisation and the legitimation of power structures, which are likewise the focus of extensive debates. The point is that the normative motives for class equality can vary according to the dimension concerned, but that there is a strong case for greater equality on every dimension.

Wright misses out less defensibly on another set of potential connections. He says that 'while it remains the case that Marxists generally do try to place class analysis in an historical context, this usually has at best a tenuous relation to a materialist theory of the overall

<sup>9</sup> On p.13 of *Class Counts*.

trajectory of human history as such'.<sup>10</sup> This claim overlooks the sustained recent development of just such a theory at the hands of a number of writers, including this reviewer.<sup>11</sup> Here, the point is that there are *two* broad approaches to class theory within Analytical Marxism, one that is static and cross-sectional, and descends through the concept of exploitation from Roemer to Wright. The other is dynamic, concentrates on the dialectic between the forces and relations of production, and descends through Cohen's theory of history to the authors mentioned in footnote eleven. It is a priority for research in social class to link these two developments, thereby restoring something like the classical connection between theories of class inequality and theories of class struggle.

And Wright's empirical findings are in fact surprisingly auspicious for a revival in the practical fortunes of class struggle. What he shows overall is that different national experiences can make quite a difference to patterns of class inequality, even within a socio-economic context that remains unequivocally capitalist: politics counts because of national variations in the way classes count.

His results suggest moreover that there are two broad routes by which class inequality can be challenged successfully. The first route is the familiar one of reducing the inequalities of the underlying resource distributions, thereby reducing class differences directly. The second involves the creation of egalitarian institutions that establish a new set of material interests, which interact with the existing class interests, and modify their effects in egalitarian directions. And since being does indeed determine consciousness (at least up to a point) there are grounds for optimism that a more egalitarian social consciousness will come to reflect more egalitarian arrangements of material interests. In this way, social change can become self-sustaining. Although this message is not

<sup>10</sup> *Class Counts*, p.118.

<sup>11</sup> The other writers include Christopher Bertram, Paul Wetherly, Paul Nolan, Alex Callinicos and Richard Blackburn. Two recent volumes are Paul Blackledge and Graeme Kirkpatrick, eds., *Historical Materialism and Social Evolution* (Houndmills: Palgrave Macmillan, 2002) and the second edition of Alex Callinicos, *Making History: Agency, Structure and Change in Social Theory* (Leiden: Brill, 2004). A special issue of the journal *Science and Society* devoted to the theory of history is forthcoming in 2006, edited by Carling and Wetherly.

drawn out strongly in the book, the potential contributions to politics of Wright's labours are as promising as their contributions to sociology are secure.

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