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Libertarian, Liberal, and Socialist Concepts of Disributive Justice

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LIBERTARIAN, LIBERAL, AND SOCIALIST CONCEPTS OF DISRIBUTIVE JUSTICE

by

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Abstract

What makes for a just society constitutes one of the most intensely debated subject among political philosophers. There are many theorists striving to identify principles of justice and each believes his/hers theory to be the best. The literature on this subject is much too voluminous to be canvassed in its entirety here. I will, however, examine the stances and arguments of three key schools of thought shaping the modern discussion of social justice: libertarianism (particularly Robert Nozick and Milton and Rose Friedman), liberal egalitarianism (John Rawls and Ronald Dworkin), and socialism (Karl Marx and John Roemer). Each of these schools articulate sharply contrasting views. These differences create an intriguing debate about what the most just society would look like.

Dedication

For my parents, thank you for always being there.

For my committee, for all the help through this process.

For my girlfriend, for keeping me sane and putting up with me.

For my family, for always being there.

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The first person I have to thank is Dr. Daniel Marien, since I met you in Fall 2012 you have challenged me every day that I have known you and it has been a pleasure. Thank you also to Dr. Barbara Kinsey and Dr. Adam Pritchard for your help with this process. To Denise Crisafi and Kelly Astro, thank you for all the work that you put in to make this process even happen and to also make the process as easy as you can. My parents are due much thanks for giving me everything, whether it be a phone call to check up or a text of encouragement, you guys are amazing. Finally, thank you Bri, you have been in the trenches with me, you may not have written this, but you know how hard it was for me. You were there when I needed you most, for the times that I felt lost and confused.

Thank you for being my rock.

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Introduction

Political philosophy is one of the fundamentally most important parts of the political science field. Philosophers take theoretical ideas and put them up for debate; it should also be known that these theorists belong to separate schools of thought. One of the most important roles that political philosophy plays is challenging the contemporary structure of society. Distributive justice, which is how to most justly distribute resources in society, is one of the most important parts of the debate. The three schools of thought that will be examined here are Libertarianism, Egalitarian Liberalism, and Socialism.

Justice and fairness are terms constantly used in American culture. But they are thrown around loosely and without much thought given to their meaning. Each American has their own view of the concept of justice and what it means to them. Some believe that a just society is where everyone has maximum freedom, which is understood as the absence of arbitrary coercion by other human beings. This stance calls for the government to intercede very little in people's contractual decisions. Others believe that a just society is one in which the government takes command of the economy and ensures a form of equality for all, sometimes even to the extent of limiting the freedom of some. For example, in American politics Republicans tend to be business friendly and ensure liberty for all. In contrast Democrats tend to focus on ensuring a greater amount of material equality through government policy, such as universal healthcare.

The truth is many people discuss distributive justice, without taking the time and effort needed to elucidate this difficult concept. If popular opinion about fairness can oftentimes appear unsophisticated and unreflective, academic discussions of the subject are, by contrast, extensive, complex and rich. Academic discussions of justice, however, are no more than popular discussion conclusive or consensual. Profound disagreements prevail.

The first approach, Libertarianism, is commonly agreed upon as the view of justice which places an emphasis on liberty, understood narrowly in negative terms, over equality. Also, the libertarians assume that people are the ends in and of themselves. The means are the free market, which creates the freedom for each individual to use their ambition to make the best of themselves. With that being said, there are varying opinions that are maintained throughout the school. Milton and Rose Friedman and Robert Nozick are the three authors to be thoroughly analyzed in this section; also, the criticisms of their theories by G. A. Cohen and Will Kymlicka will be introduced and discussed.

The second approach to distributive justice, Egalitarian Liberalism, provides that individual liberty is the starting point, but claims of equality are also given an important place. The belief that is held amongst these philosophers is that equality leads to the most just society. These theorists assume that all people are worried about not being the poorest in society and are naturally risk sensitive. The liberal egalitarians expect that people are looking for the greatest possible equality in society. John Rawls and Ronald

Dworkin are the two individuals that will be examined in this section, with criticisms of their theories by G. A. Cohen and Will Kymlicka being utilized once again.

The final approach, Socialism, is the view that there must be equality in order to have liberty. The core idea may perhaps be expressed as the claim according to which genuine liberty and equality requires social control over the means of production. Each of these theorists assumes that people are the means to an end. The end being the equality of society and ensuring that each individual is used to make society the most equal that it can be. There are two philosophers that will be discussed in this section: Karl Marx and John Roemer.

This thesis will critically compare the arguments of the aforementioned philosophers' beliefs about distributive justice. Each of these authors makes assumptions that will be pointed out, but must be understood so that the criticisms make sense. More than to just compare the arguments made by these theorists, this thesis will also attempt to argue for the liberal egalitarian system of justice, particularly the theory of Ronald Dworkin.

Libertarianism

Equality and liberty are two of the main components of distributive justice.

Philosophers attempt to determine what they believe to be the most just balance of these components in order to find the most just society. For example, in the case of Libertarianism, Milton and Rose Friedman and Robert Nozick, believe that there needs to be far more of a focus on liberty than on equality. They hold the belief that there needs to be a very small government that has no say in the equality, or lack thereof, of the people of the nation. They admit that inequality would run rampant across the nation, but they justify this with the ideas of the free market and people having complete liberty over their decisions in the marketplace, whether it is as consumers or as owners of productive resources such as talents, energy or capital.

People in a libertarian society should be able to do with their natural abilities as they please. For example, if a person has an impressive wood work skill set and there is a high demand for carpenters, then that person, if they do a good job and use their impressive natural abilities, will be justly entitled to the fruits of his/her labor. The ideas that are espoused in libertarianism make one question whether a just society would lack so much equality, but in determining this you must put the theory in political context, and then delve into some of the great minds of the theory, in this case those are the minds of Milton and Rose Friedman and Robert Nozick.

Milton and Rose Friedman

Milton and Rose Friedman's book *Free to Choose*, first published in 1979, acted as a catalyst for the rekindling of small government ideas and agendas. President Ronald Reagan, for instance, endorsed it as a guide to his administration. The Friedmans argue that a society built around unfettered markets and minimum government authority is both just and economically efficient. An examination of their ideas will focus on their claims about fairness and justice putting aside the issue of efficiency. The Friedmans argue three main points in their principles of justice: how markets operate to maximize freedom and the legitimate kind of equality; what are the legitimate and illegitimate kinds of equality; and what role should the government play in a well-ordered society. Each of these pieces must be dissected in order to truly understand what the Friedmans are trying to get across. Their philosophy is to make sure that the market is able to run as freely as possible, completely untouched. The Friedmans assume several things throughout their book; included in these assumptions is the idea that people are naturally equal and that ambition is the only way for people to advance in society.

The Friedmans' View of the Market

Milton and Rose Friedman are two of the leaders in the belief that libertarianism is the correct policy that would help American politics and society as a whole. The Friedmans follow this thought by promoting a society based on voluntary exchange. This is the idea that "if an exchange between two parties is voluntary, it will not take place unless both believe they will benefit from it (Friedman and Friedman 1980: 13)."

Voluntary exchange, according to the Friedmans, would lead to the most just society because every person is able to do with their resources as they please. Just like Nozick the Friedmans believe that people are ends in themselves, which means they should have the right to determine what they do with what they have.

For example, if Leah is looking for a job, meaning she is looking to sell her labor, she has a multitude of choices of employers to apply to work for. If Leah is offered a job at Jim's Shake Shop and Jackie's Sports Store, then she has the right to determine who she sells her labor to. She will have each of the stores give her their demands of her at work and they will tell her what her hours and wages are; Leah will then use this information to determine if either place is worth selling her labor to. Say Leah decides to work at Jim's Shake Shop, she has now sold her labor to that restaurant; however, if at any time Leah feels like she is not being treated well she can just leave with the only consequence being she has no job, same goes for Jim, if he believes Leah has not been a competent employee he has the right to terminate her job because he is no longer satisfied. This is an example of how voluntary exchange would work in the Friedmans' perfect society.

The Friedmans' View of Equality

One of the biggest schisms between many of the major philosophies is the idea of equality. A central point of libertarianism is the idea that liberty should be the main focus and as soon as equality begins to lessen the liberty of all, then it becomes a problem and should be drawn back. The Friedmans discuss the three types of equality

that they believe American society has seen: equality before god, equality of opportunity, and equality of outcomes.

Equality before god is acknowledged by the Friedmans. This is the idea that each person in society is equal in the eyes of god. There is nothing that they can gain or lose on Earth that would allow them to fall off of an equal playing field in the eyes of god. Thomas Jefferson recognized this equality when he wrote the Declaration of Independence and so did the founding fathers when they framed the Constitution. According to the Friedmans equality before god was created because “[m]en were equal before God. Each person is precious in and of himself. He has unalienable rights, rights that no one else is entitled to invade (Friedman and Friedman 1980: 129).” This is important because it establishes the Friedmans’ belief that the founding fathers were looking to establish a form of equality that coincided with a maximization of liberty. However, they do see that there were flaws in this equality because the founding fathers did not live by their word, for example slavery. Slavery completely undermined the entire idea of equality before god. The Friedmans not only thought slavery was a travesty and disgusting, they also felt that it stripped people of their liberty, which defeats the purpose of a free market society. The Friedmans saw this disturbing point in American history as an eventual crossroads for equality. The next equality that the Friedmans believe is acceptable is that of opportunity.

Equality of opportunity is another type of equality that is accepted by the Friedmans. This form of equality is believed by the Friedmans to mean that “[n]o arbitrary obstacles should prevent people from achieving those positions for which their

talents fit them and which their values lead them to seek. Not birth, nationality, color, religion, sex, nor any other irrelevant characteristic should determine the opportunities that are open to a person - only his[/her] abilities (Friedman and Friedman 1980: 132).” Basically, no one should be discriminated against for things that they are given and cannot control. The Friedmans once again believe that this equality is rightfully established because it still holds peoples’ liberty above all. However, they still believe that the government should not have much, if anything at all, to do with the establishment of equality of opportunity. The government did become a problem to the Friedmans as they moved away from equality of opportunity and toward what they coined equality of outcomes.

This is when the Friedmans believe that equality overtakes liberty and not go hand in hand with it. Equality of outcomes is a phrase that the Friedmans have introduced in the philosophical debate. They believe that equality of outcomes is when no matter what happens throughout life each person will have the same final material advantage as everyone else. Equality of outcomes as the Friedmans see it has allowed the government to intervene and completely prevent the free market from working as it should. The expression of equality of outcomes have created what the Friedmans call a “welfare state,” which is a state that constantly takes money from those that are successful in the market to give to those that are not. This state has hindered the free market completely and the Friedmans want it to be put to an end.

The Friedmans' View on Role of Government

The Friedmans believe that there are only certain circumstances in which it is necessary that the government be involved in the market. They feel very similar to Nozick, in that they believe the government should only be allowed to establish a military to protect from outside threats, a court system to enforce contracts, and a police force to prevent domestic violence. There is, however, one more provision that the Friedmans make and that it when it comes to antitrust laws. Antitrust laws are used to break up monopolies, which prevent the free market from properly working. These are the functions that the government should perform, but the problem for the Friedmans is that the government performs many more, which include social expenditures and bureaucratic agencies to protect the consumer. The Friedmans also have a belief that the government should have the ability to enforce reimbursement by corporations for negative externalities that have resulted in the surrounding community and environment. Although they hold that corporations should compensate the communities that are affected by said corporations negative externalities, the Friedmans believe that these negative externalities are very rare.

Social Expenditures

Milton and Rose Friedman believe that there is no reason that the government should be spending so much money on social expenditures, such as welfare. They write about the rise of the "welfare state" which began during the presidency of Franklin Roosevelt, his New Deal, and his introduction of social security. They believe between social security, welfare, and any medical assistance from the government there have

been far too many social expenditures that do not work the way they were promised to. Moreover, the Friedmans are not against the idea of a voluntary social security, where people pool their money in retirement funds, but they do not believe that this form of compulsory social expenditure allows for the greatest liberty. To illuminate the issue the Friedmans show the big problem with social security, which is that the people in less fortunate families begin to work and pay taxes for social security at a younger age than the more fortunate. To compound that fact the less fortunate usually work longer, but live shorter; thus, the less fortunate will have less time to collect their benefits and the well-off will be the ones collecting instead. This is a failure to the Friedmans because social security was meant to help the less fortunate (Friedman and Friedman 1980: 107). They see problems like this with all the forms of social expenditures and believe that they have become far too complicated and coercive. The idea that the Friedmans have to correct the problem is something called a negative income tax. Basically, “when your income was above allowances, you would pay tax, the amount depending on the tax rates charged on various amounts of income. When your income was below allowances you would receive a subsidy, the amount depending on subsidy rates attributed to various amounts of unused allowances (Friedman and Friedman 1980: 121).” This idea would consolidate all of the social expenditures into one easy system that would allow for smaller amounts of government intervention.

Consumer Protection

Consumer protection is one of the biggest areas of mismanagement by government to the Friedmans. Not only have they allowed the companies ensure that

their interests are spoken for in government; they actually make things more expensive for the consumer and not any safer. With the backing of government and the bureaucratic decision making process, many administrations take forever to get new products to the consumer; meanwhile the process makes the item take an unusually long time to establish a spot in the market and does not usually help provide safety to the public. For instance, the Friedmans discuss the idea of being a member of the Food and Drug administration. There is the chance that you could not release a drug for safety concerns and that leads to people dying because they did not have the drug; meanwhile, you could release a drug that has safety concerns and people die because of the drug (Friedman and Friedman 1980: 208). This process has not led to greater safety for people; the Friedmans believe it has led to a clogging of the market. The Friedmans believe that “on the whole, market competition, when it is permitted to work, protects the consumer better than do the alternative government mechanisms that have been increasingly superimposed on the market (Friedman and Friedman 1980: 222).” They want people to understand that an overreach by the government does far more harm than good and that the market itself is the most just place.

Criticism of the Friedmans

There are many parts of the Friedman’s argument that can be attacked. One of the biggest of these is that they believe that there is a just voluntary exchange in the free market. The free market is split into two types of people: the owners of the means of production and the workers. The Friedmans point out that both sides of this exchange make their decision voluntarily. Karl Marx counters the Friedmans’ claim by examining

the working day of the factory workers and how the owners went about deciding it. Marx states that:

Another 'friendly' dodge was to make the adult males work 12 to 15 hours, and then to declare that this fact was a fine demonstration of what the proletariat really wanted . . . [t]he majority of the 'overtimers' declared: 'They would much prefer working 10 hours for less wages, but they had no choice; so many were out of employment . . . that if they refused to work the longer time, others would immediately get their places, so that it was a question with them of agreeing to work the longer time, or of being thrown out of employment altogether. (Marx 1990: 397).

The owners have control of the means of production and that leads to the workers being exploited by the owners. When a worker needs a job to support his/her family, he/she will take anything. There are more job seekers than jobs, which leads to a large pool of workers that the owners have to pick from. With such a large pool the owners are able to take people that are willing to work for any amount of money. This is clearly unjust because when one side of the transaction has obvious leverage there is no way for a free market society to allow a truly voluntary decision. The idea that there is fairness in a free market society is a notion that one should not appreciate because there a fair exchange would be one where no party holds leverage over another. Market exchanges

are not fair when the parties to the exchange do not have the same power to bargain, when one side needs the deal more than the other side.

Another problem that comes up in *Free to Choose* is the idea of negative externalities. This is the idea that a corporation would have to pay the community around it back if it creates a negative impact on the environment surrounding said community. They claim that these cases are few and far between though, which means the government will not have to impose any sanctions often. This argument is flawed because there are constantly problems with corporations and how they treat the environment and their surrounding communities. The flaw is paralleled in the argument that is discussed by Robert Nozick, which will be detailed later. Nozick explains that all acquisitions and transfers of anything must be just and if they are not those injustices must be rectified. He goes on to claim that this rectification will not happen often because the majority of acquisitions and transfers are just.

Robert Nozick

Robert Nozick is one of the most, if not the most, sophisticated libertarian thinker. His rise came at the same time as John Rawls, which led to a healthy and intriguing debate about distributive justice between Nozick, the libertarian, and Rawls, the egalitarian liberal. In his book, Nozick explains his theory of justice known as “the entitlement theory”; meanwhile criticizing Rawls’ theory of justice. Nozick also employs John Locke’s ideas to convey his argument against any other form of justice aside from libertarianism. Within the discussion of Nozick’s philosophy there will also be criticism of

said philosophy by Will Kymlicka, whom in his book *Contemporary Political Philosophy*, breaks down the most important philosophies of the modern era and explains and critically analyzes their concepts. Robert Nozick also makes certain assumptions that must be understood. Just as the Friedmans did, Nozick believes that there is enough equality and that the only way to excel is by having ambition and using your natural gifts, but he also assumes that there are limited problems in his society. He assumes that his theory of justice would allow people to have the greatest amount of liberty because there is no regulation of their choices.

Nozick's Theory of Justice

Robert Nozick has the view of distributive justice that many libertarians hold, which is to believe that liberty always comes at the price of inequality. There must be a weak federal government and a very strong free market. Nozick has one very big idea that forms a majority of his ideas on distributive justice: the Entitlement Theory. To help analyze Nozick's "Entitlement Theory," one must also understand the ideas of John Locke's theory of acquisition, which Nozick coins the Lockean Proviso, which will be discussed accordingly. Nozick infuses Locke's ideas and his own thoughts to convey what is a more modern view of liberalism.

Nozick opens his chapter entitled *Distributive Justice* by stating his view on the proper size of the government by stating "[t]he minimal state is the most extensive state that can be justified. Any state more extensive violates people's rights (1974: 149)." He strictly believes that the government is only there to provide three main functions:

military protection from outside force, a police force to protect from domestic violence, and the courts to enforce contracts. This idea of minimal government that Nozick holds is one that is derived from his belief in the voluntary exchange of holdings in society, or the entitlement theory. His theory has three principles of justice, according to page 151 of *Anarchy, State, and Utopia*, which include:

1. A person who acquires a holding in accordance with the principles of justice in acquisition is entitled to that holding.
2. A person who acquires a holding in accordance with the principle of justice in transfer, from someone else entitled to the holding, is entitled to the holding.
3. No one is entitled to a holding except by (repeated) applications of 1 and 2.

The first principle is the theory of justice of acquisition. This means that someone came by the holding in a just manner; they did not steal it or defraud someone for it, it is justly theirs. The second principle is the theory of justice in transfer. This means that the person in principle one who justly earned the holding has the right to transfer the holding voluntarily as long as they have not been forced or tricked. If the person that the holding is being transferred to is justly acquiring the holding, then the transfer follows the principle. The final principle explained is called the theory of rectification of injustice. If at any point in the existence of the holding there has been injustice, then the

acquisition and transfer are not just. If there has been injustice, then there needs to be a way to compensate those that have been afflicted. These injustices can be conspicuous or not, but either way they must be compensated.

In order to truly understand many of the Nozick's ideals of distributive justice, one must also become familiar with the principles of John Locke. According to Nozick, "Locke views property rights in an unowned object as originating through someone's mixing his labor with it (1974: 174)." Locke believes that if someone acquires anything, for example land, then that acquisition must not allow the positions of others to be deteriorated. Also established in the proviso is that a person has the natural right to establish his control over a land and its resources as long as it began as common property. Moreover, if someone is to take this common land, then he/she must make sure to not take it all and must leave enough for other members of the community to do the same. This idea is included in Locke's Proviso, which Nozick believes is essential to help advance his theory. Nozick took the proviso which states that there must be justice in acquisition and then adds to it that there must also be justice in transfer. Nozick needs this proviso in order to make his theory justifiable. Without establishing the acquisition of private property as just, Nozick has no ability to claim that individuals have any right to that property. He takes the ideas of Locke and makes sure that there is a looser interpretation of the justice of acquisition that Locke believed in. Since he knew that his theory would fall victim to criticism he loosens what is meant by common land and just acquisition. He loosens the meaning by stepping around many injustices, for

example, the removal of Native Americans from their lands and slavery, which will be explained later.

The final piece of Nozick's argument is documented well in Will Kymlicka's book, *Contemporary Political Philosophy*, when he explains Nozick's self-ownership theory. Kymlicka explains that Nozick views people as ends within themselves, which "if Nozick can prove that yields self-ownership, and that self-ownership yields libertarianism, then he would [provide] a strong defen[s]e of libertarianism (Kymlicka 2002: 107)." The idea of self-ownership is that each person has the right to the full fruits of their abilities, even if it creates inequalities in society. The point is that people should be able to use their abilities to accrue as much wealth as they please as long as they follow the aforementioned three principles of libertarian justice. For example, if I am a guitar virtuoso and I am able to consistently sell out shows at a venue and each person pays me fifty dollars to play, then I have justly earned each of those fifty dollars. I was given this ability and I have used it to perform for people; meanwhile the people that have come to see me play and paid me fifty dollars earned their money and have the right to dispense of their resources as they see fit.

Critique of Nozick

Will Kymlicka does not view the libertarian conception of justice as a very appealing view. He believes that there should be more equality in a just society. He does not agree with much of what Nozick has to say on the ideas of liberty or self-ownership. Kymlicka believes that Nozick's argument is made with the purpose of

disproving the claims of John Rawls, which he believes that Nozick has failed to do. To show his support of Rawls, Kymlicka explains that he believes that “[p]eople have rights to the possession and exercise of their talents, but the disadvantaged may also have rights to some compensation for their disadvantage (Kymlicka 2002: 127).” This quote is part of an explanation that Nozick is unable to prove that self-ownership and libertarianism fail to defeat the intuitive arguments of the Rawlsian camp. Kymlicka does not believe that self-ownership should be accepted and believes that Rawls is correct in denying the idea. Rawls argues, as will be explained later, that there is no reason that someone should be able to expect to receive benefits because of what they are given by chance. Ambition is one of the keys to Rawls’ argument and there is no ambition in what one is given naturally.

Another problem with Nozick’s theory is his idea of just acquisition. He assumes that a majority of original acquisitions are made justly and that there is a very small number that will have to be rectified. The truth is that the opposite is true. Many acquisitions, in capitalist societies, have usually been acquired on unjust terms. One of the best examples is found within the history of the Americas, specifically the United States and Canada. When the Europeans first arrived in the modern day United States and Canada, they began to find the native peoples and realized that if they wanted this new found land, the natives would have to be conquered or deals would have to be made. The former option was taken by some and much of the Native American population that lived on the land was murdered and forced off by the ancestors of many modern day Americans. This makes the original acquisition unjust based on Nozick’s

first principle. Any land that was then transferred from these people that stole the land from the Native Americans to other people from then until present breaks Nozick's second principle of justice in transfer. According to his third principle, Nozick believes in the idea of unjust holdings being rectified to their rightful owners, allowing for just acquisition and transfer to start moving forward. The only way for this principle to take place, the government of the United States would have to give back all of the land to the Native Americans.

The latter of the previous two options was used by other Europeans that did not want to fight battles. This scenario would be the Europeans trying to draw up a contract for land with the Native Americans. Native American culture does not have private property, most Native Americans believe in the concept of communal living. The Europeans, of course, looked at the land as a way of beginning to start accumulating capital. Land is always the first step in the accumulation of capital, without land there is no way that one can build factories, plantations, farms, or any other means of production. The contracts that were drawn up were never fair. Sandel discusses the perfect contract:

Contracts derive their moral force from two different ideals, autonomy and reciprocity. But most actual contracts fall short of these ideals. If I'm up against someone with a superior bargaining position, my agreement may not be wholly voluntary, but pressured or, in the extreme case,

coerced. If I'm negotiating with someone with greater knowledge of the things we are exchanging, the deal may not be mutually beneficial. In the extreme case, I may be defrauded or deceived. (Sandel 2009: 150)

In this definition, what the Europeans did to the Native Americans was forced them into contracts that were far more beneficial to the Europeans, meaning the contracts were neither autonomous nor reciprocity. The problem here is that, once again, Nozick's argument is invalid. A just contract would be voluntary and beneficial for both parties. The Europeans had an advantage over the Native Americans when it came to weaponry, which led to coercion, meaning the contract was coerced; meanwhile, the contract gave the Europeans all of the good land and left the Native Americans with very little land and the land that they were left with was not good land, which meant the contract was not mutually beneficial. This lack of a just contract means the land was acquired unjustly, thereby breaking the first of Nozick's principles. The second principle is broken anytime that land is transferred and once again the only way this can be rectified is to give the land back. Nozick's theory is unable to maintain any sort of accountability when history is looked at for just acquisitions because many of the free market societies are built on these same injustices, or others, including slavery.

It is already proven that the land was stolen from Native Americans and is therefore unjustly held, but there is also another strikingly unjust form of unfair original acquisition entirely overlooked by Nozick: slavery. Slavery in the United States has

turned everything in the Southern United States, and many other parts, into unjust land holdings and capital formation. Any land that was worked by slaves according to Nozick and the Lockean Proviso is rightfully theirs. Instead, the “owners” of this land worked them to death and took their choices away from them. Since that time any land and capital accumulated from slave labor held by these families is unjustly held, but still is passed down generation to generation. Long after the fall of slavery there was still a problem that came about for those that were “free.” The freed slaves were unable to do anything other than their daily tasks which they had performed as slaves; they were not able to read, could not vote, and could not own land. Slaves were never rectified, which means that anything that they produced and any wealth that the owners and their families’ gained from slave times, was unjustly acquired and to this day has been unjustly transferred. This is one reason that Nozick’s principles are indefensible when people attack the idea that there is justice in a majority of the acquisitions and transfers in free market societies. Furthermore, if the original acquisition were to be rectified, there would still be problems with Nozick’s argument.

The practical challenges of correcting and compensating for the unjust nature of original acquisition of private property in America history appear daunting. But if one brackets these historical “accidents” or contingencies aside, can one argue that Nozick’s theory is satisfactory? If and where private property was originally fairly acquired, or if unfairly acquired made legitimate by the provision of just compensation, can one claim that Nozick’s principle of just transfer settles the issue? G. A. Cohen shows that the answer is negative. He looks to criticize the ideas of the entitlement

theory through Nozick's own example, which is the Wilt Chamberlin example. The Wilt Chamberlin example generally explains that if someone has natural talents and is able to use them to make a profit and the way that they receive their profit is just, then the transaction is just. Cohen says that this is a very tricky assumption that Nozick uses and at face-value can be very deceiving. Nozick leaves out that there is more to just the two sides of the transaction. He says there is Chamberlin receiving the twenty-five cents and the people giving money, but he leaves out the aggregate effects of these actions when multiplied in numerous transactions. For example, "once Chamberlin has received the payments, he is in a very special position of power in what was previously an egalitarian society. The fans' access to resources might now be prejudiced by the disproportionate access Chamberlin's wealth gives him, and the consequent power over others that he now has (Cohen 1995: 25)." This contention is important because it shows a key concern that Nozick does not address. How can a transfer be just if people are not able to understand the long-term effects and/or the aggregate effects of their individual decision? As soon as people give some of their wealth to Chamberlin they are giving him more power in society. In society the people with the most wealth have the greatest control of resources, which puts all others at a much greater disadvantage. Nozick just looks at his example as a person justly giving Chamberlin twenty-five cents, but in reality that person is giving up some of their control of the resources that one has access to. This is where the micro and macro decisions begin to be understood. The micro decision is one person just paying twenty five cents to watch Chamberlin play, meanwhile, the macro decision is to give away as a collective group power to influence

decisions in politics to the likes of Chamberlin because now he has more money than everyone else. This cannot and will not change unless society as a whole decides to make a change, either they all stop going to see Chamberlin play, or they have his resources equally redistributed through taxation or other policy changes.

Conclusion

Libertarianism is one of the leading theories on the far right of the philosophical spectrum. Nozick and the Friedmans are frequently regarded as the most sophisticated authors in their field of thought. Nozick uses the entitlement theory to establish an idea of the most just society, within this theory he criticizes others, such as Rawls'. The Friedmans, meanwhile, use the approach of just explaining their positions on each section of society. They do stand behind a set theory, which includes the idea that the free market should be unfettered. The libertarian idea of distributive justice is appealing to a few, but is extremely controversial in the eyes of many.

Liberal Egalitarianism

As previously mentioned, there is a just balance that every theory and theorist looks to achieve between equality and liberty. The libertarians believed that an overwhelming emphasis on the latter leads to the greatest justice in society. The liberal egalitarians, however, believe this is not the case, they hold the belief that equality should be emphasized by society through the principles of Rawls and Dworkin.

The liberal egalitarians believe that the only way to have a truly just society is to make sure that everyone has equality of opportunity. The system that exists to this day is not equal in the eyes of the liberal egalitarians. They believe that there is an intuitive argument for equality of opportunity and that there is not a reason that a person should suffer inequality based on anything that they cannot control. The main writer that will be introduced is one John Rawls, one of the original theorists of liberal egalitarianism. According to Sandel, liberal egalitarians, including Rawls, believe that “in thinking about justice, we should abstract from, or set aside, contingent facts about persons (Sandel 2009: 157).” This means that, unlike many other theories, liberal egalitarianism ignores the natural and social circumstances about people, instead it looks to ensure that those worst off in society are better than those worst off in other societies. The current way of thinking believes that it is unfair if one is discriminated against for their race, ethnicity, class, or sex. Kymlicka states that the liberal egalitarians believe that these so-called:

social inequalities are undeserved, and hence it is unfair for one's fate to be made worse by that undeserved inequality.

But the same thing can be said about inequalities in natural talents. No one deserves to be born handicapped, or with an IQ of 140, any more than they deserve to be born into a certain class or sex or race. If it is unjust for people's fate to be influenced by the latter factors, then it is unclear why the same injustice is not equally involved when people's fate is determined by the former factors. The injustice in each case is the same – distributive shares should not be influenced by factors which are arbitrary from the moral point of view. Natural talents and social circumstances are both matters of brute luck, and people's moral claims should not depend on brute luck. (2002: 58).

This idea that social circumstances are the only unjust way to come about claims was one that was held by the prevailing view of the time. The liberal egalitarians are not disagreeing about whether there is a moral obligation to prevent social circumstances from affecting the moral claim of someone; conversely, they are claiming that this is not the only injustice that comes from luck. These natural abilities, or lack thereof, are just as problematic for people when one is looking for a moral claim.

Rawls's Justice as Fairness

John Rawls is one of the original, and most prominent, authors in the field of liberal egalitarianism. He began writing during a period of time in which utilitarianism

was the main theory that people believed to be the most just. The utilitarian idea was that there must be a maximization of the majority of peoples' happiness, even if that meant a select few were to suffer. John Rawls wants his work *A Theory of Justice* to be a new idea that breaks away from the prevailing schools of utilitarianism and intuitionism. Rawls is not completely against intuitionism, but believes that "[i]ntuitionism is an unsatisfying alternative to utilitarianism, for while we do indeed have anti-utilitarian intuitions on particular issues, we also want an alternative theory which makes sense of those intuitions (Kymlicka 2002: 53)." Rawls does not believe that there is no reason intuitionism cannot be useful, just there has to be a stronger foundation that the intuitive arguments are based on. These arguments will be based on the ideas that all natural and social circumstances must be equal for there to be a truly just society. Rawls broke away from the two arguments by establishing the idea of moral rights. It is intuitive and morally just that people are equal in the most just of societies. There are two main "principles" that Rawls wants to have in his society. The first principle is that "[e]ach person is to have an equal right to the most extensive total system of equal basic liberties compatible with similar system of liberty for all (Rawls 1999: 266)." The idea of this principle is that everyone should have the same amount of liberty that other societies have, unless there is a reason that some should have less liberty. In order to attain this he uses the social contract theory. The second principle of justice is that "social and economic inequalities are to be arranged so that they are both: (a) to the greatest benefit of the least advantaged . . . (b) attached to offices and positions open to all under conditions of fair equality of opportunity (Rawls 1999: 266)." This is called the

difference principle, which will be discussed at greater length. This principle ensures that the lowest of the low in society is not that low. Rawls wants to make sure that the only reason someone has more than resources than someone else is if that inequality means that those at the bottom are kept from being even worse. John Rawls also makes some very important assumptions. These include that people do not take risks when they are behind a veil of ignorance; moreover, he assumes that the most just society involves there being an owner of the means of production and the laborer.

The Difference Principle

The difference principle is the idea that there is a qualification that an inequality is just as long as the least advantaged in society are able to benefit. Lovett's explains Rawls's reasoning of the difference principle. There are two classes the working and the entrepreneurial. The former has no true natural abilities and the latter has a large amount of them. If there was only one full equal distribution of resources, then the entrepreneurial class would have no reason to hone their talents. This would not only lead to negative consequences for their class, but also would lower the distribution of the working class. On the other hand, if the entrepreneurial class were to be given a better distribution and had reason to hone their natural talents, the distribution would be raised for them, but also for the working class (Lovett 2011: 55-56). This is an example of how an unequal distribution of resources can benefit the least advantaged in society. There is a figure in Lovett's book, on page 57, which he uses to go into more detail about the difference principle. The table has three distributions: I, II, and III. Distribution I has the working and entrepreneurial class both receives ten "shares of economic and

social goods.” Distribution II has the working class receiving fifteen, meanwhile the entrepreneurial class receives twenty four. The final distribution, III, the working class receives eighteen and the entrepreneurial class receives fourteen. This figure begs the question “[w]hich basic structure satisfies the difference principle?” The answer, Lovett says, is II. His reasoning is that:

“the ‘least advantaged’ group is not defined as the working class specifically . . . [r]ather, the term ‘least advantaged’ refers to the least advantaged group relative to a particular basic structure . . . [t]he difference principle favors the [Distribution II] over III (and over I), because the least advantaged relative to the basic structure are better off than the least advantage relative to the others. (2011: 57-58)

This example explains Rawls’s difference principle and shows the true meaning of the term that he often uses: least advantaged.

The Social Contract

The social contract theory that Rawls uses in his argument is not a principle, but is the means that people would use to get to the end, which is justice as fairness being the most just theory that society could live by. The initial step would be for humanity to be placed in the original position, which according to Rawls, “is the appropriate initial status quo which insures that the fundamental agreements reached in it are fair. This fact yields the name ‘justice as fairness’ (1999: 15).” In this position each person would

be placed behind the so-called “veil of ignorance.” Behind this veil each person would not know anything about their distributions in life, whether they have good or bad natural or social circumstances. At this point there would be options given to everyone and they would have to come to a decision about how goods would be distributed. There would be different principles by which people would have resources distributed to them. According to Will Kymlicka, “Rawls says that it is rational to adopt a ‘maximin’ strategy – that is, you maximize what you would get if you wound up with the minimum, or worst-off position . . . [a]s a result, you select a scheme that maximizes the minimum share allocated under the scheme (2002: 66).” This idea makes sense because there is little reason to rationally believe that one will be lucky enough to get the highest allocation of resources in society.

Another part of the decision to make in the original position is the distribution of primary goods in society. It is to be understood that “[t]he parties to the original position are motivated to achieve an adequate share of primary goods so that they can achieve their higher-order interests in their rational plans of life and the moral powers (Freeman 2007: 153).” Freeman is explaining that Rawls anticipates that people are going to be rational and while acting rationally they will accept the distribution that gives them the best chance of having enough primary goods to survive. According to Kymlicka on page 65:

There are two kinds of primary goods:

1. social primary goods: goods that are directly distributed by social institutions, like income and wealth, opportunities and powers, rights and liberties.
2. natural primary goods: goods like health, intelligence, vigour, imagination, and natural talents, which are affected by social institutions, but are not directly distributed by them.

It is these primary goods that Rawls believes are what must be distributed equally in order to make society a just place. Once again the only exception is the difference principle.

Criticism of Rawls

Will Kymlicka is not entirely convinced by the argument that Rawls makes in favor of fairness as justice. Kymlicka claims that although Rawls is trying to be ambition sensitive and endowment insensitive, he has created a theory that is actually insensitive to both. For example, Kymlicka undermines the argument of the difference principle, or at least how generic it is. He takes two people with the same abilities, are born into the same situations, and are given the same amount of resources. One decides to use her resources to begin to garden; on the other hand, the other decides to use his resources to play tennis. Each of them was given an equal opportunity, but one decided to use her resources to do work and make money, in the meantime, the other decided to use his resources to play tennis, which did not make him money (2002: 73). Kymlicka believes

that because both of these people had one hundred percent equality of opportunity that anything that they gain out of their choices should not affect the other. However, the problem is that “[t]he difference principle would only allow this inequality if it benefits the least well-off - i.e. if it benefits the tennis-player who now lacks much of an income. If the tennis-player does not benefit . . . then the government should transfer some of her income to him in order to equalize income (Kymlicka 2002: 73).” This problem occurs because Rawls allows for everything to be incorporated by the difference principle. As will be shown shortly, Kymlicka believes that Ronald Dworkin was able to make a better theory that was ambition sensitive and endowment insensitive.

Robert Nozick also has problems with Rawls, one of which is that he does not even use the entitlement theory as principles that people would have the choice to select from. Nozick goes on to discuss the ideas that Rawls has about natural assets, which is that no one deserves to have more of the holdings of society than someone else because of their natural gifts. Nozick disagrees with this idea and thinks that each person should use all of their natural assets to their advantage. For example, Rawls would believe that Wilt Chamberlin would only be allowed to reap the fruits of his labor if there was a benefit to the least advantaged; alternatively, Nozick believes that Chamberlin should be allowed to do with his natural talents as he pleases and if people are willing to pay and then give him greater control over resources, then there is no reason to prevent that. As long as they justly acquire their assets, then they are able to use them any way they please.

Dworkin as Understood by Kymlicka

Ronald Dworkin is another compelling liberal egalitarian that brought about changes to Rawls's theory of justice. There are several parts of Dworkin's theory, the first of which is the idea of an "ambition sensitive auction (Kymlicka 2002: 75)." In this auction every person would have an equal amount of resources to buy what they want through the auction. If none of them are unhappy with what they have purchased, then the auction is complete and each person now has what they bought at a position of equality of opportunity. For example, each person has 500 dollars to do with as they please. So if Francine buys land and sets up a swimming pool because she wants to be a swimmer, in the meantime, Loretta buys land to setup a farm where she will raise animals for food and profit. In Rawls's theory, once Francine started to lose money, she would be helped by Loretta because of the difference principle. Conversely, in Dworkin's theory, Francine made her choice and was happy with her decision, which means she has to find her own way to get money and anything she needs. As Kymlicka states "no one can claim to be treated with less consideration than another in the distribution of resources, for if someone had preferred another person's bundle of social goods, she could have bid for it as well (2002: 76)." This is one of the parts of the Dworkin model that is better than Rawls's.

The second part of Dworkin's theory involves the "endowment insensitive" side. This part of his theory is ensuring that no one is negatively impacted by their natural endowments. The way to do this to the best possible extent is to have each person pay in a certain amount of their original resources in the form of insurance. For example, if

Francine, from the example before, takes 100 of her original 500 dollars and gives it to the insurance, then she will have 100 dollars to cover any natural disadvantage that she might run into when the auction is over. Kymlicka states that “[i]ncome tax would be a way of collecting the premiums that people hypothetically agreed to pay, and the various welfare, medicare, and unemployment schemes would be ways of paying out the coverage to those who turned out to suffer from the natural disadvantages covered by the insurance (2002: 77).” This is the only way to keep a balance of helping the naturally deprived and those that are naturally talented. Dworkin has tried to improve upon Rawls’s theory, but that is a difficult task to take up.

Conclusion

Liberal egalitarianism is one of the more contemporary theories that has challenged many of the prevailing theories. Rawls started the movement with his ideas of the difference principle and how to arrive at said principle through the social contract theory. Rawls’s theory is one that is difficult for some to agree with because it begins to move too far to the left side of the spectrum for some, but it is still using the liberal ideas of the market system, just keeping it more in check and being more just. The next theory looks to replace the free market in the search of complete equality.

Socialism

The socialist ideal began during the time of the peak of the capitalist economy throughout Western Europe and the United States. The previous two theories, libertarianism and liberal egalitarianism, both have different ideas about how liberalism should be treated and how to turn it into a just system. Socialism, however, is looking to overhaul the free market system and establish a completely new system in which the society controls the means of production and there is no private property in the means of production, (land, factories, offices, transportation equipment, etc.). Socialism focuses on the belief that liberty, real liberty, is achievable only through society's control over the means of production. Unlike the beliefs of the libertarians, socialists believe that liberty and equality are intertwined. Equality leads to true liberty. Kymlicka explains socialism by stating that it "requires socializing the means of production, so that productive assets are the property of the community as a whole . . . [w]here liberal-egalitarian theories of justice try to employ private property while negating its inequalities, Marxists appeal to a more radical theory of justice that views private property in the means of production as inherently unjust (2002: 168)." In this chapter two authors will be discussed. The first is Karl Marx, the original critic of capitalism, and the second is John Roemer, a neo Marxist.

Marx's Theory

Karl Marx is recognized as the original critic of capitalism and is one of the greatest minds in the history of the socialist movement. Marx is not trying to make an ethical argument against capitalism, instead he is making an economic argument. He is

famous for the idea that there would be a revolution of the proletariat against the ruling bourgeois class. To show this he claims in the Communist Manifesto “[t]he immediate aim of the Communists is . . . formation of the proletariat into a class, overthrow the bourgeois supremacy, conquest of political power by the proletariat (Marx and Engels 2011: 35).” His theory is focused mainly on the fact that the worker is exploited by the capitalist and the main exploitation that occurs is the extraction of surplus value from labor. His theory is mainly economic and focuses on the exploitation of the working class. Marx spends most of his energy analyzing capitalism and only very little effort describing the ideal communist society. Communism for Marx is a society marked by material abundance where people contribute to the social effort of production “from each according to his talents; to each according to his needs (Marx, Engels, Lenin 1938: 10).” Though Marx clearly sees capitalism as fundamentally unjust, most of his writings avoid an explicitly ethical defense of socialism. This criticism forms the thrust of his major work *Capital Volume I*. Karl Marx makes assumptions that lead critics to finding holes in his argument. Several assumptions that Marx makes include people being natural producers and that liberty is created by full equality.

Background on Capital Volume I

This is one of Marx’s first major critiques of capitalism. He begins the book writing about what a commodity is and what its value is. There are two types of value: use-value and exchange value. Marx explains that “[a]s use-values, commodities differ above all in quality, while as exchange-values they can only differ in quantity, and therefore do not contain an atom of use-value. If then we disregard use-value of

commodities, only one property remains, that of being products of human labour (Marx 1990: 128).” He makes this point because it establishes the beginning of his argument against capitalism, which is that in the end every commodity can be reduced to how much labor power it is worth. He continues along the path of how to exchange commodities and explains that sometimes people trade commodity for commodity and other times commodity for some sort of material used as a means of universal exchange -- money. Then, he reaches his argument about how people buy and sell the most important part of the market: labor power. In order to sell labor power there are two conditions:

The owner of money must find the free worker available on the commodity-market; and this worker must be free in the double sense that as a free individual he can dispose of his labour-power as his own commodity, and that, on the other hand, he has no other commodity for sale, i.e. he is rid of them, he is free of all the objects needed for the realization . . . of his labour-power. (Marx 1990: 273)

With these conditions in mind, one must realize that now the idea of exploitation begins to form in Marx’s argument. On the one hand there is the capitalist, the person with money, and on the other the worker, the person without money (capital) with labor power; they each have their function, but Marx believes that the capitalist easily has the greater advantage. Value, Marx claims, comes from two places: the cost of labor and

the cost of the means of production and their maintenance. Throughout the book, Marx uses the terms “variable and constant capital,” which are the two forms of capital. The former is the labor power, meanwhile the latter are the means of production, for example, machinery and equipment (Marx 1990: 307). The constant capital does not need to be included in much of Marx’s argument of exploitation, except that the ownership of it is what helps create an advantage for the capitalist over the worker. The argument moves on to the most important part: the extraction of surplus value.

Surplus Value

Surplus value is one of the most important issues with capitalism according to Marx. There were two types of surplus value in Marx’s argument: absolute and relative. Marx explains the two here:

I call the surplus-value which is produced by the lengthening of the working day, *absolute surplus-value*. In contrast to this, I call that surplus-value which arises from the curtailment of the necessary labour-time, and from the corresponding alteration in the respective lengths of the two components of the working day, *relative surplus value*. (Marx 1990: 432)

Basically the argument starts by explaining that there are two types of labor: necessary and surplus. Necessary labor is the amount of time a worker must work in order for the capitalist to get the price of labor even with the value of the commodity. In Marx’s example the necessary labor is six hours per day. The surplus labor is any time over the

necessary that the worker performs for the capitalist to make a profit. Once again, in Marx's example anything over the six hours per day. Marx gives an extremely easy to understand example of this:

Let us assume that a line A-----B represents the length of the necessary labour time, say 6 hours. If the labor is prolonged beyond line AB by 1, 3, or 6 hours we get three other lines:

Working Day I: A-----B-C

Working Day II: A-----B---C

Working Day III: A-----B-----C

which represent three different working days at 7,9, and 12 hours. (Marx 1990: 340)

This shows how much surplus value the capitalists can take out of just one laborer, and if this were multiplied by them all, one can only imagine how much surplus value there would be.

There is not just a simple way to arrive at relative surplus value. There is not lowering the amount a capitalist pays the laborer, nor can the capitalist lower the value of the commodity. There are several things that are involved in creating this relative surplus labor.

The first of these is the idea of cooperation. This is the idea that “[a] large number of workers working together, at the same time, in one place (or, if you like, in the same field of labor), in order to produce the same sort of commodity under command of the same capitalist, constitutes the starting-point of capitalist production (Marx 1990: 439)” This cooperation is a version of the social nature that the capitalist looks to create between workers.

Another feature of capitalism that leads to exploitation is the creation of what Marx calls, and Roemer explains, “the industrial reserve army (Roemer 1988: 25).” The reason that this is exploitation is because the capitalists create a scenario in which there are always far more people looking for work than there are jobs available. The problem with this is the capitalists are always able to keep wages low because there will always be that person next in line willing to make a subsistence wage; hence, the wage is always kept down and the capitalist is able to extract the most surplus labor possible. This validates the argument against the Friedmans displayed before that there is not an equal playing field for both sides of the labor market.

Another part that Marx emphasizes is the idea of the division of labor. The root of the division of labor is what Marx calls the specialized work, which is:

[I]t is firstly clear that a worker who performs the same simple operation for the whole of his life converts his body into the automatic, one-sided implement of that operation. Consequently, he takes less time in doing it than the

craftsman who performs whole series of operation in succession. The collective worker, who constitutes the living mechanism of manufacture, is made up solely of such one-sidedly specialized workers. (Marx 1990: 458)

This specialization of the worker, Marx believes, is what takes the worker's ability to be anything more than just a part of the process. Marx, therefore, believes that the capitalist breaks the worker away from their natural human work. This work involves a mixing of physical and intelligent labor. The physical part continued in capitalism, but the intelligent part was stripped from the workers. This means that when the worker is just performing tasks for the capitalist, they do not have the chance to make decisions about the use of resources. Taking the intelligent part of work away from the worker is a form of exploitation by the capitalist.

Another form of exploitation is when the capitalist, through the control of the means of production. This limits the possibilities of the worker, for example, John and Mary want to open their own shop selling camera that they make. Both of them are specialized workers putting together cameras for a manufacturer and both built the lens. In order for their shop to be successful, they would have to be able to also build the body of the camera. Their specializations would not allow their shop to be successful, so there is no reason to leave their current manufacturing jobs. This example shows that the capitalist not only has a monopoly on the means of production, but also through specialization, the capitalist prevents the middle class, or small shopkeepers, from

being successful. This lack of success for the middle class leads to the growing gap between the bourgeoisie and the proletariat classes.

The final way that the capitalists are able to create relative surplus value is through the use of “machinery and large-scale industry.” With the introduction of the machines and new technology “[c]apital now sets the worker to work, not with a manual tool, but with a machine which itself handles the tools (Marx 1990: 509).” The worker is now the user of the machine instead of the tool that makes the commodities. The biggest effect of the new machines for the capitalist was that:

In so far as machinery dispenses with muscular power, it becomes a means for employing workers of slight muscular strength, or whose bodily development is incomplete, but whose limbs are all the more supple. The labour of women and children therefore was the first result of the capitalist application of machinery! That mighty substitute for labour and for workers, the machine, was immediately transformed into a means for increasing the number of wage-labourers by enrolling, under the direct sway of capital, every member of the worker’s family, without distinction of age or sex. (Marx 1990: 517)

The addition of women and children to the worker pool increases the competition and the aforementioned lack of leverage increases for the workers. These new technologies

also allow for the furthering of the productivity of the worker, which continues to enhance the relative surplus value. Surplus value extraction is the most significant problem that capitalism causes, according to Marx, because that is how their labor is exploited the most.

Criticism of Marx

There are often critics of many of the most influential theorists from both from theorists outside and inside of that person's field. Karl Marx's theory of distributive justice is derived from his economic beliefs. He is one of the most controversial figures in the debate about distributive justice. His theories were way ahead of their time, but led to many people criticizing his critique of capitalism.

His ideas lead to a society in which the means of production are owned by the state, which is the antithesis of the views of the libertarians. Many of the libertarians, including the Friedmans and Nozick, would claim that the ideas of Marx allow the government to have far too much power. The libertarians believe that the capitalists and the workers are able to have just discussions with regard to the worker selling his or her labor to the capitalist. However, the means of production being owned by society are fairer for the worker. When each worker is given a fair share of resources, he/she is able to make decisions about how to use those resources.

Marx not only faces criticism from those that hold opposing views of his, he is also criticized by John Roemer. Roemer believes that "[t]o put [it] bluntly, some central concepts of classical Marxist economics – the labor theory of value and exploitation –

seem not to be of fundamental interest (Roemer 1988: 89).” He is trying to say that Marx looked at the way capitalism failed was not completely right. John Roemer is a neo Marxist. These Marxists are the people that broke away from the classic ideas of Karl Marx. As previously stated the two most important parts of Marx’s theory are the ideas of exploitation of the labor power by creating surplus value, as Roemer calls it technical exploitation. Kymlicka states that although technical exploitation “is one of the most common results of distributive injustice under capitalism . . . it has no ethical interest apart from that inequality (Kymlicka 2002: 182).” This quote furthers the claim that Roemer believes Karl Marx used strictly economic features to arrive at many of his criticisms of capitalism. An explanation of Roemer’s theory of Marxism will be discussed in the following section.

John Roemer’s Theory of Justice

John Roemer is one of the most prominent Neo-Marxists. He follows the beliefs of most Marxists that private property is the root of the problem and that there needs to be community owned means of production. As many other Neo-Marxists attempt to do, Roemer is looking to criticize the ethical dilemmas of the capitalist system and defend the ethical strengths of socialism. One of the central ideas that Roemer and his contemporaries attempt to show that there will not be a revolution of the workers against the property owning class of the capitalists; instead, people of society agree to change the economic structure of society to the socialist system. The most important part of Roemer’s argument to understand is that he believes that “[c]apitalist exploitation is the consequence of private and unequal ownership of the means of production (Roemer

1988: 148).“ The importance here is that once again Roemer distances himself from the technical definition of Marxism. Roemer’s ideas about traditional Marxism and about Marxism will be discussed further below, but the most important part of his theory to understand is his conclusion. He concludes that “[t]he ideal vision of communism has the producer having complete control over both his labor power and the means of production (Roemer 1988: 110).” Although this idea is idealistic, he believes that this is achievable and is the most just distribution possible in society. There is no way to have full equality unless a person is able to own all of his labor and the means of production that he/she needs. Roemer believes workers are exploited in capitalism because the resources they receive in exchange for their labor is lower than the socially necessary labor time required to produce it and that the reason that this happens is because the workers are separated from the means of production. Roemer also assumes that a society that has maximum equality also has maximum liberty; however, this is not his only assumption that he makes. Roemer assumes that giving the means of production to society would result in the most equality possible.

Public Ownership of the Means of Production

Roemer’s main conclusion about why there is a problem with capitalism, as previously stated, is that there is full control by the capitalists over the means of production. He discusses two different forms of redistribution, which are “(1) an equal initial distribution, in which each would begin with his per capita share of society’s total wealth in alienable assets, or (2) some unequal initial distribution, designed to compensate people for other unequal opportunities that they face (Roemer 1988: 149).”

The former of the two distributions is the one that Roemer argues for, although he believes both would difficult to politically establish.

Roemer finishes *Free to Lose* looking to explain what the purpose of the book was. He explains that he is not looking to explain his own theory, but is trying to explain the ideas of modern-Marxist thought while interjecting his own opinion. The final point he wishes to make is that “[t]he crucial question remains: Why should exploitation, defined by calculating labor accounts, be considered a bad thing? My argument is that a person’s attitude toward exploitation must derive from the moral status of the distribution of the alienable means of production, which is the cause of exploitation (Roemer 1988: 172).” The cause of exploitation that has shifted from labor to the alienation of the means of production. Roemer is attempting to separate Marx’s theory of exploitation, which is the theory according to which the price of goods is set by his labor theory of value, from Marx’s theory of price determination, in which prices reflect the extent of socially necessary labor required to make the good.

Coupon Capitalism

Will Kymlicka explains an idea that Roemer has about a just society. This idea is:

under the label of ‘coupon capitalism.’ Each young adult would receive a portfolio of stocks in the nation’s firms, intended to give her a per capita share of the nation’s profits. She could trade these stocks at prices quoted on a competitive stock market, but could not cash out her

portfolio. At death, each person's portfolio would revert to the Treasury, to be recirculated to the next generation of young adults. (Kymlicka 2002: 83).

This is an interesting idea because, although there is a system in place with the means of production in the hands of society, there is still an element of ambition sensitivity. This sensitivity helps the socialist idea defend itself from criticism received from the libertarianism, such as the Friedmans, about what they call equality of outcomes. This equality of outcomes is the claim that the liberal egalitarians and the socialists want everyone to be equal regardless of ambition.

Criticism of Roemer

Just as Marx had many critics, so does Roemer and for many of the same reasons. There are many theorists of different schools of thought that do not agree with socialism. Any libertarian would agree that Roemer is wrong on the point that the alienation of the means of production leads to exploitation. They believe that there are fair transactions all the time between the owners of the means of production and the owners of the labor power. This difference leads to a debate about whether the government, or society, should have the power over the means of production, or if the capitalists should have control. Capitalism is unfair in the libertarianism sense because the capitalist has an extremely unfair advantage over the worker in that they control the means of production. In Roemer's society, a person would own his/her share of society's resources, which would lead to people being equal within society.

Conclusion

Socialism is an interesting theory, which breaks away from the idea that the free market is the best way for society to be run. Karl Marx was the originator of ideas, which include the proletariat revolution, surplus labor (absolute and relative), and division of labor. John Roemer broke away from many of the norms of the socialist theory through some of his ideas, which attempt to move socialism away from the theory of labor exploitation and the valorization of labor. Obviously, there are many more theorists in the field of socialism, but these are two of the most important.

Conclusion

Each of these theories has distinct qualities and each theorist differs from another within the scope of their own field. Libertarianism was the first theory that was included in this thesis. This theory treats liberty as the most important part of justice. The argument is that the free market allows both sides of the transaction to control the situation and that people only make choices that put them in a better position than they were in previously. Robert Nozick and Milton and Rose Friedman look to use their theories to defend why the free market is the most just economic system.

Liberal Egalitarianism was the second theory that was discussed. In this theory the theorists believe that there has to be a way to ensure equality. Rawls uses the idea of the difference principle to account for the allowance of inequalities in society. He is criticized because he does not allow ambition to affect the decisions of people. Dworkin looks to improve upon Rawls's theory by making the model far more ambition sensitive and endowment insensitive. Rawls and Dworkin attempt to use social contract situations where people determine how resources are divided up in society.

The final theory that was discussed, socialism, breaks away from the economic structure of the first two. The socialists believe society needs to move away from the capitalist market and towards an economic structure, in which society has full control over the means of production. The socialists find the capitalist system to be unjust and there must be full equality, particularly when it comes to the distribution of the resources and the means of production. Karl Marx was the original critic of capitalism. He believes

that capitalism exploits labor power through surplus labor value. John Roemer looks to move Marxism away from this view and toward the idea that exploitation is caused by people being separated from the ownership of both their own labor and the means of production.

Each theory that has been mentioned are looking to prove that theirs is the most just. There are holes in each of them and there is no way to prove that they are practical without the chance to put them into practice. The future generations of each theory will attempt to further their claim on the most just society.

This paper sets out to explain the three theories, but now that they are compared, there must be a stance taken; thus, I believe that the liberal egalitarians, particularly Dworkin, makes the best argument for the most just society. A theory that attempts to attain a society that rewards ambition, but is always trying to make up for a misfortunate endowment is one that I can support. I believe that there is an unfair control over the working class by the capitalists in the libertarian theories; however, I am also unable to stand behind society having full control over the means of production. The libertarians are interested in ambition and allow people to use their endowments to their advantage; on the other hand, the socialists are neither ambition nor endowment insensitive. The liberal egalitarian mission is to find a way that people can still have the ability to live well off based on decisions that they make, but one cannot be defined by their social or natural circumstances.

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