Phil. 2200
**Notes: Rawls' Theory of Distributive Justice**

I. Basic Concepts
- *Distributive Justice:* Justice in the distribution of goods/wealth.
- *Patterned/end-state conceptions of distributive justice:* Say there is some overall pattern of distribution we should aim at. Justice is a matter of closeness to the desired pattern. Examples:
  - Perfect equality
  - Distribution in accordance with need
  - Distribution in accordance with desert/merit
- *Historical conceptions of distributive justice:* Say that whether one is entitled to some piece of property depends on the process by which one got it. Justice is a matter of following the right rules in acquiring property.

II. Ideas in Rawls' Theory of Justice
- *The Original Position:* A hypothetical situation in which the future members of a society meet to agree upon the general political principles to govern their society. Features of the OP:
  - The *Veil of Ignorance:* no one knows what their position in the society will be. They know no personal information about themselves (including the life plans/values they are going to have).
  - They have access to all relevant *general* information about society. They are intelligent and make no errors in reasoning.
  - They will choose political principles on the basis of self-interest.
- *Rawls' Two Principles of Justice:*
  - *First principle:* "Each person is to have an equal right to the most extensive basic liberty compatible with a similar liberty for others."
  - *Second principle* (the *"Difference Principle"*): Social and economic inequalities are allowed only to the extent that they benefit those who are worst-off. (See diagram below.)
    * How might this happen? Perhaps if more productive people are rewarded with more wealth, then the society as a whole will be richer, so much so that even the (relatively) poor will be better off.
    * Exercise: which of the following is best? (Width of rectangles represents size of an economic class; height represents their level of wellbeing.)

Three Possible Worlds

A   B   C

1
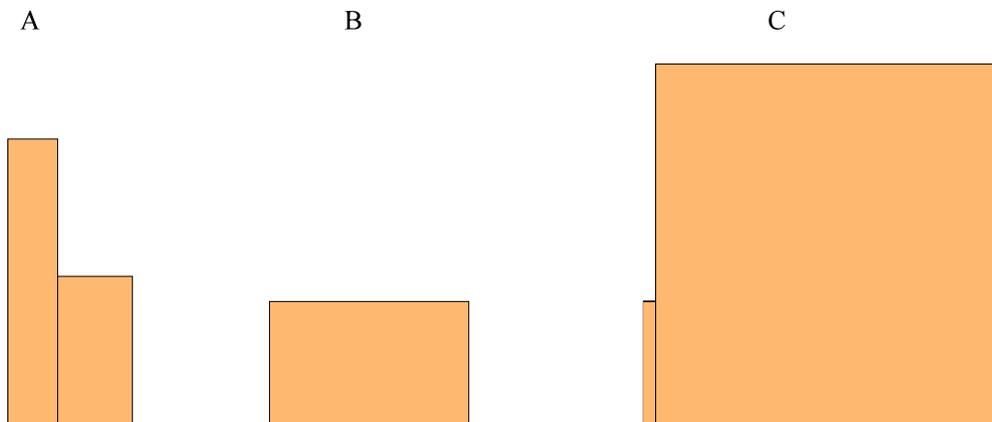
III. Rawls' Overall Argument

1. What would be chosen in the Original Position is just.
- Why? Because the OP is set up in such a way as to guarantee a fair outcome. The parties start in a position of equality, and no one can unfairly privilege himself, since no one knows their position in the society.
2. Rawls' Two Principles of justice would be chosen in the Original Position.
3. Therefore, Rawls' Two Principles are just (and so should be adopted).

IV. Why Choose the Two Principles?

a) The first principle would be chosen because the parties don't know what their plans and values will be; therefore, it makes sense to secure the most liberty possible, to allow for pursuing whatever goals they will have.
b) Why would the second principle be chosen? Two lines of reasoning:

First:
- There would be a natural default assumption of equality. Unless there was some special reason for privileging someone, people would accept an even division of the wealth.
- It would be acceptable to allow some inequality *if* doing so benefitted everyone. (It would not be acceptable otherwise, since those *not* benefitted would not agree to the distribution.)
- Inequalities obviously benefit the people who get more. They benefit *everyone* only if they benefit those who get *less.*
- Therefore, the parties would agree to allow economic inequalities (only) to the extent that they benefitted those worst off.

Second:
- For very poor people, money means a lot. Some minimum level of income is necessary for anyone to have a decent life.
- For the wealthy, money has less importance; if they lose some of their money, it won't prevent them from having a decent life. (This is called "the diminishing marginal utility of wealth.")
- The parties in the Original Position would be more afraid of winding up poor, than they would be eager to wind up rich. They would want to minimize their risk of winding up badly off. (Rawls has them put an absolute priority on this, i.e., they *only* look at what the worst possible outcome is, and try to improve that.)
- Therefore, they would choose the system that maximizes the position of the poorest people.

I. Dworkin's Objection to Hypothetical Contract Theory

- Actual contract provides an independent reason for action in compliance with its terms.
  - But hypothetical contracts are not contracts. Why should we care about hypothetical agreements?
- Hypothetical agreement is relevant when it reflects some other, independent reason for action-- namely, when the reason why one would have agreed is a reason now to agree.
  - But sometimes it doesn't. E.g., if one would have agreed due to a different bargaining position.
- Hypothetical agreement sometimes makes an action permissible. The case of the accident victim.
  - But this can't be used to override *actual* disagreement.
- Maybe the Original Position (OP) thought experiment just shows that it is in everyone's interests to agree to the Two Principles.
  - This would have to mean our "antecedent interests", from the standpoint of the OP.
  - But this doesn't show anything about what is actually in our interests, now.
  - Nor anything about what it is fair to impose on us.
- Maybe the OP shows that the Two Principles are in everyone's interests, once obviously unfair principles have been ruled out.
  - If this conclusion were true, it could be defended directly, without use of the OP.
  - If it can't be so defended, then the OP does more than just impose obvious fairness requirements.
  - So the use of the OP can't be justified in this way.

II. Harsanyi: Parties Would Choose Utilitarianism

- How to get to (average) utilitarianism:
  - Rational choice rule: Maximize personal expected utility.
  - In the veil of ignorance: Assign equal probability to being anyone in the society.
  - Suppose there are n people in the society. U_i is the utility of the ith person. Then your expected utility is:

  $$\sum_{i=1}^{n}\left(\frac{1}{n}\right)U_i$$

  - The average utility of the society is:

  $$\frac{\text{Total Utility}}{\text{Population}} = \frac{\sum_{i=1}^{n}U_i}{n}$$

  - These are equal.
- Two decision rules:
    (1) Maximize expected utility. (max-util.)
    (2) Maximize the worst outcome. (maximin)
    Which is more rational?
  - Maximin seems rational in those cases where it approximates max-util.
  - When it deviates significantly from max-util., it is, intuitively, irrational.
    * The example of the Chicago job.
    * Crossing the street, etc.
    * The case of the retarded guy and the geniuses.
  - So no reason to prefer maximin over max-util.

- [Related point: All the reasons Rawls cites in favor of the Difference Principle would already be taken into account by a utilitarian calculation.]

III. Nozick: The OP Rules out Morally Relevant Considerations at the Start

- OP is biased against historical theories.
  - There is no way the parties in the OP would consider anything other than an end-state theory, since they are choosing on consequentialist (sc., self-interested) grounds.
- OP begs the question against natural property rights.
  - The OP exercise assumes 'society' has a right to decide how to redistribute people's property, and the only question is how they should distribute it.
- No reason to think the OP results in a correct distribution.
  - What if grades in a class were distributed according to a similar procedure? Is there reason to think that the resulting distribution would be correct?
- OP ignores any morally relevant factors affecting distributive justice, other than equality and utility.
  - Rawls does not *argue against* any such factors; he just assumes there are none by setting up the OP.
  - So the OP provides no grounds for rejecting theories that rely on such factors. For instance, Nozick's theory (see next class).

Phil. 2200
Notes: Nozick & the Entitlement Theory

I. The Entitlement Theory of Distributive Justice

The entitlement theory needs three rules (or kinds of rule):
(1) *A principle of acquisition:* One may claim previously-unowned items provided one is using them and there is enough left over for others.
(2) *A principle of transfer:* Property can be transferred from one person to another by mutual consent.
(3) *A principle of rectification:* What to do when someone violates one of these rules. Generally, the offender has to pay back the victim.
• Entitlement theory is *historical.*

II. Against End-state Theories

The Forced Labor Argument
1. Forced labor is wrong.
2. End-state theories sanction forced labor.
   a. People get money through labor.
   b. Hence, forcing them to give their money to others is like forcing them to labor for the benefit of those others.
3. So end-state theories are wrong.

The Slavery Argument
1. No one can own another person, even partially.
2. End-state theories imply that people can (partially) own other people.
   a. Ownership of x = the right to decide how x is used.
   b. End-state theories give you a right to the fruits of others' labor.
   c. This is a right to decide what use other people are put to.
3. So end-state theories are wrong.

The Wilt Chamberlain Argument
   Example: Assume there is some patterned conception of distributive justice, and assume that we start out with a distribution, D1, that perfectly satisfies the desired pattern. Wilt then agrees to play basketball for other people's entertainment, for 25¢ per person. 1 million people agree, resulting in a new distribution, D2, where Wilt has an extra $250K, and 1 million people have 25¢ less. Q: Is D2 unjust?

   Argument:
   1. If no one has a reasonable complaint about D2, then D2 is just.
   2. No one has a reasonable complaint about D2.
      a. Wilt can't complain.
      b. People who paid to see him can't complain.
      c. People who didn't pay can't complain.
   3. So D2 is just.
   4. D2 violates the preferred pattern.
   5. So the patterned conception of distributive justice is false.

III. Objections to Nozick

- Nagel's objections:
  - Nozick's classification of theories of justice is incomplete. Ignores theories that take into account *both* history *and* desirable ends.
  - The Wilt Chamberlain argument fails because:
    * It assumes that, when we distribute in accordance with a patterned principle of distributive justice, we distribute *absolute* property rights.
    * But people with patterned principles would say property rights are not (ever) absolute.
    [Discuss: Does Nozick assume this? Is the second point a strong criticism?]
- Property rights are not absolute.
  - The cabin in the woods example.
- The unjust history of actual holdings.
  - The case of the Native Americans.
- Problems with initial acquisition.
  - When one acquires previously unowned natural resources, this worsens the situation of others, who can no longer use those resources. Why is this permissible? (Or why don't you have to compensate the others?)
  - Should resources start out with communal ownership?

Phil. 2200
Notes: Equality and Priority (Parfit)

I. Basic Ideas

- *Utility:* How much well-being someone has. Happiness, success, whatever gives life value.
  - Total utility of a society: The sum of the utility of every person in that society.
  - Average utility: The total utility divided by the population.
- *Intrinsic value:* The value that something has considered apart from its effects; value something has as an end in itself.
- *Egalitarianism:* Equality in the distribution of utility across persons is intrinsically good.
- *Priority View:* Benefits for the worse-off are more important than equal-sized benefits for the better-off. In other words: there is diminishing marginal *value* of *utility* for an individual.
- An example: A is much better off than B. We can redistribute wealth, making A and B equal. This will help B slightly less than it will harm A. (Administrative costs, decreased incentives, etc.) Would this be good?

Average utility
of first world

A   B   A   B
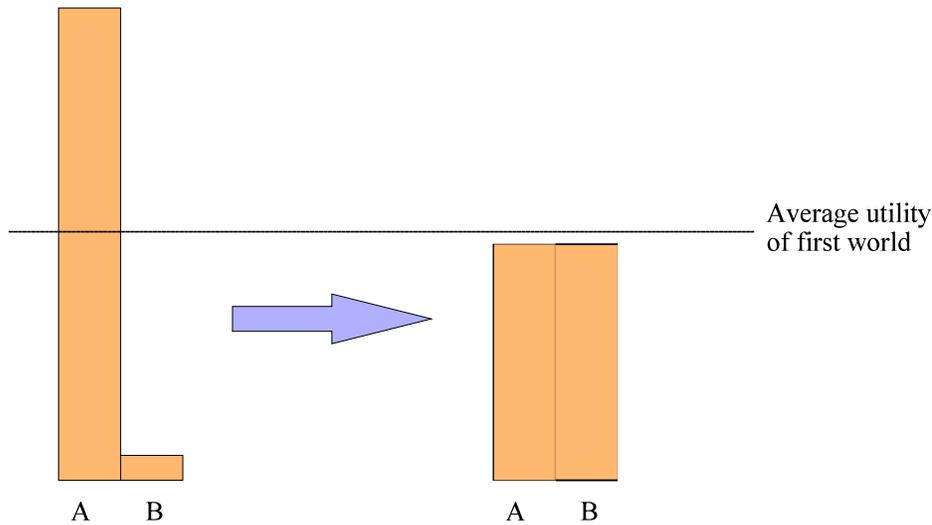
- Egalitarianism: Yes.
- Priority View: Yes. (For different reason.)
- A practical application: Socialism vs. Capitalism
  Socialism: Low productivity, less freedom, more equality.
  Capitalism: High productivity, more freedom, large inequalities.
  - Which is better?

II. For Egalitarianism

1. Inequality is (ceteris paribus) unfair.
2. Unfairness is bad.
3. So inequality is (ceteris paribus) bad.

- Justification for (1) and (2): Direct appeal to intuition.

III. The Leveling Down Objection

Leveling Down: Achieving equality by lowering the welfare of the better-off.

Argument:
1. X is good in some respect only if there is *someone* for whom it is good in some way. (Premise; the "Person Affecting Principle.")
2. If equality is intrinsically good, then *Leveling Down* is good in one respect. (Premise.)
3. But Leveling Down is not good for anyone in any way. (Premise.)
4. So Leveling Down is not good in any respect. (From 1, 3.)
5. So equality is not intrinsically good. (From 2, 4.)

IV. For the Priority View

- The Priority View gives results very similar to Egalitarianism.
- But it completely avoids the Leveling Down Objection.

I. Premises

- *The Pareto Principle:* If one possible world would rationally be preferred over another by *everyone* who would exist in either world, then the former world is better than the latter.
- *The Unrepugnant Premise:* If possible worlds x and y have the same amount of equality/inequality, but x has both a lower average utility *and* a lower total utility than y, then x is worse than y.[1]
- *Transitivity:* If x is better than y and y is better than z, then x is better than z.

II. Three Possible Worlds

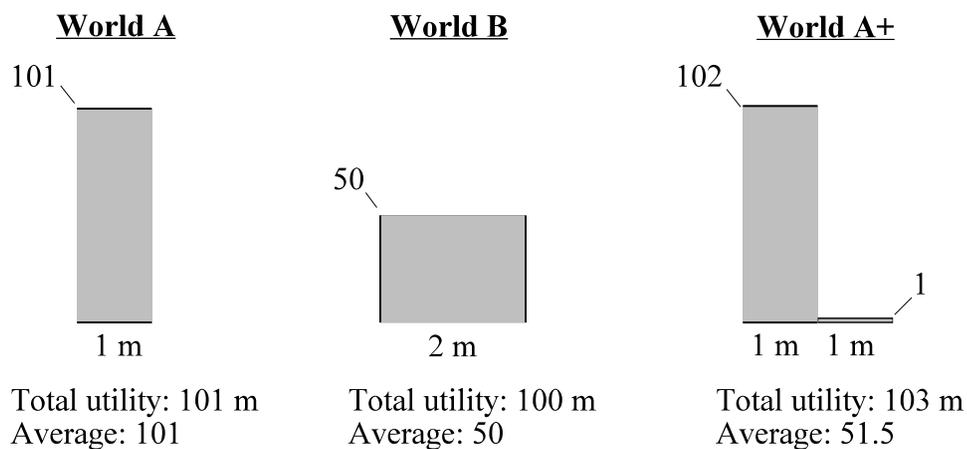| **World A**	**World B**	**World A+**
101	50	102 ... 1
1 m	2 m	1 m 1 m
Total utility: 101 m	Total utility: 100 m	Total utility: 103 m
Average: 101	Average: 50	Average: 51.5

Figure 5. Graphical depiction of worlds A, B, and C. The width of each bar represents a population size; the height represents a level of well-being.

Argument:
1. A is better than B. (From the Unrepugnant Premise.)
2. A+ is better than A. (From the Pareto Principle.)
3. A+ is better than B. (From 1, 2, and Transitivity.)
4. Egalitarianism and the Priority View are false. (From 3.)

Comment:
- Step (3) directly shows that the extra 3 points of total utility + 1.5 points of average utility outweighs the inequality in world A+.
- This form of argument can be repeated for arbitrarily small increments in utility. Hence, the value of equality is zero.

III. In Defense of the Unrepugnant Premise

- This principle is accepted by everyone in population ethics.

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[1] An "egalitarian" world is a world in which utility is evenly distributed across persons.

- Follows from Average Utility Principle.
- Follows from Total Utility Principle.
- Follows from any principle anywhere in between.
- Endorsed even by those who accept the "repugnant conclusion."

V. In Defense of Transitivity

The Money Pump:
- Suppose you have intransitive preferences: You prefer A to B, B to C, and C to A.
- You presently have A.
- You would be willing:
  - to pay a small amount of money to trade A for C.
  - to pay a small amount of money to trade C for B.
  - to pay a small amount of money to trade B for A.
  - etc.
- This seems irrational.
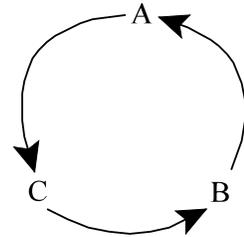
The Dominance Argument:
- Suppose A is better than B, which is better than C, which is better than A. Consider the values of the following two combinations:
  A + B + C
  B + C + A
- We can construct an argument that the first combination is better than the second. Why: It is better with respect to each of the three comparisons:
  A > B
  +   +
  B > C
  +   +
  C > A
- This is absurd, because the two combinations are the same.
- Conclusion: The supposition is impossible: A cannot be better than B, B better than C, and yet C better than A.

Phil. 2200
Review of Unit 4

By the end of this unit, students should know:

These concepts:
The Original Position
Veil of ignorance
Distributive Justice
    Historical conception
    End-state conceptions

These examples & what they show:
The unconscious accident victim
The Chicago job
Distributing grades by social contract
Wilt Chamberlain
Cabin in the woods

These principles:
Rawls' 2 principles of justice, esp. the Difference Principle
The Entitlement Theory of Dist. Justice:
    Pr. of Acquisition
    Pr. of Transfer
    Pr. of Rectification
Maximin
Expected utility maximization
Egalitarianism
The priority view
Transitivity
Pareto principle

These people's views:
Rawls
Nozick
Dworkin
Harsanyi
Nagel
Parfit
Huemer

These arguments:
Rawls' main argument for adopting his 2 Principles.
Why unconscious accident victim not analogous to Rawls' theory
Why the OP leads to average utilitarianism
Why expected-utility-maximization is better than maximin
How OP might be biased against theories like Nozick's
How wealth-redistribution might be like forced labor or slavery
Main argument for egalitarianism (fairness)
Leveling down objection
Huemer's argument against priority view, incl. its 3 premises
Money pump argument