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***BETWEEN LIBERALISM AND SOCIALISM: PROPERTY-OWNING DEMOCRACY IN
RAWLS***

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Abstract

La tesi nasce a seguito di un mio interesse sempre crescente per il pensiero di John Rawls, il quale ha fatto dell'elaborazione di una teoria della giustizia alternativa alla concezione utilitarista, allora predominante nel discorso accademico, il lavoro della propria vita. Con "A Theory Of Justice", e tutti i lavori che ne sono conseguiti, Rawls ha apportato un grandissimo contributo alla filosofia politica del ventesimo secolo e segnato un interessante punto d'incontro tra il liberalismo e il pensiero socialista. In piena coincidenza con la tradizione analitica a cui appartiene, John Rawls tiene molto alla coerenza dei propri argomenti e all'esistenza di solide fondamenta a partire dalle quali costruire una concezione di giustizia: le trova nella

ideazione, tramite l'interessante esperimento della posizione originale e l'impiego del velo dell'ignoranza, dei principi di base della giustizia. Rispettivamente, il diritto a un esercizio quanto più ampio possibile delle libertà, pur nei limiti di quelle dell'altro, e un'organizzazione delle disuguaglianze tale per cui queste vadano a beneficio dei più svantaggiati e corrispondano a posizioni egualmente accessibili per tutti. Va da sé che l'unico possibile modello che possa pregiarsi della qualifica di "società giusta" non potrà fare a meno di rispettare quei principi. Nel 2001, trent'anni dopo l'uscita di "A Theory of Justice", John Rawls pubblica "Justice as Fairness: A Restatement", all'interno del quale compare uno sforzo aggiuntivo rispetto ai contenuti della prima opera, che è quello di strutturare anche alcuni possibili sistemi di organizzazione statale, esistenti e non, per capire quali possano essere compatibili coi suoi principi di giustizia. Boccia il socialismo ad economia pianificata, il capitalismo *laissez-faire* e perfino il capitalismo "contemporaneo", facente impiego di uno stato sociale; arriva, dunque, alla conclusione che i due sistemi potenzialmente capaci d'incorporare i principi da lui designati consistono nel socialismo liberale e in una "property-owning democracy", vale a dire una democrazia di proprietari all'interno della quale i possedimenti e le risorse sono distribuite alla popolazione in accordanza coi criteri dei principi di giustizia, impedendo enormi concentrazioni di ricchezza personale e monopoli privati.

La tesi si concentrerà su quest'ultima, partendo da un breve e volutamente non esaustivo riferimento ad altre concezioni d'intendere la democrazia e la proprietà da parte di più tradizioni politiche. La Property-Owning Democracy sarà affrontata descrivendone le differenze rispetto al capitalismo con welfare state e al socialismo liberale, unico altro sistema ritenuto da Rawls compatibile coi principi della giustizia. Verranno inoltre analizzate le critiche mosse alla property-owning democracy da altre, varie tra loro, posizioni accademiche, da "destra" (posizioni come quella libertaria) a "sinistra" (provenienti da ambienti di stampo marxista o, quantomeno, da una considerazione del socialismo liberale come alternativa più auspicabile).

1, Introduction: John Rawls' Thought and Principles

"1. Each person is to have an equal right to the most extensive total system of equal basic liberties compatible with a similar system of liberty for all.

2. Social and economic inequalities are to be arranged so that they are both:

(a) to the greatest benefit of the least advantaged, consistent with the just savings principle, and
(b) attached to offices and positions open to all under conditions of fair equality of opportunity.”¹

John Rawls (Baltimore, February 21, 1921 – Lexington, November 24, 2002) is widely considered one of the most prominent political philosophers of the twentieth century. He is mostly known for his work “A Theory of Justice”, through which he tries to devise a moral theory regarding distributive justice (the branch of justice "that is concerned with the apportionment of privileges, duties, and goods in consonance with the merits of the individual and in the best interest of society"²), reviewed and adjusted throughout decades and two different editions, respectively in 1975 and 1999.

Belonging to the analytical, contractualist and liberal traditions of philosophy, Rawls reawakened, and on a very vast scale, political philosophy as a discipline by providing a counterpoint to utilitarian philosophy: through his theoretical framework he established the necessity for subsequent works and authors in political philosophy to either praise or criticise his main opus and the concepts it contained through their standpoints.

Inside “A Theory of Justice” we can observe the statement of the fundamental principles of justice that Rawls envisions, the latter two formally written as the (a) and (b) parts of the second principle: the greatest equal liberty, difference and equal opportunity principles, stated as the initial quote of the dissertation.

A thinker rather than an activist, John Rawls did seldom intervene in the contemporary political discourse and issues of his times, but it would be a mistake to state that he was not a keen observer of the world, influenced by historical events: from his reaction to the Hiroshima bombings and the subsequent effect it had on his personal faith to the context within which A Theory Of Justice was first written, that of the Vietnam war and the peace and student movements.

Notwithstanding his reclusive personality and strictly intellectual character he made himself out to be, his work had a consistent impact on the material, political world: Chinese students waived copies of “A Theory of Justice” in front of the tanks that raided the now infamous Tiananmen Square in 1989 and passages of the book have been cited in judgements made by the US supreme court.³

Another important note of reference in looking at the author is the creation –and consequent academic popularisation- of several concepts: the original position, a hypothetical condition used as a theoretical tool, operating under the assumption that self-interested parties must choose the optimal distribution of goods in a

¹ Rawls, John (1999). *A Theory of Justice: Revised Edition*. p. 266

² Merriam-Webster dictionary, at the entry “Social justice”.

³ Coman, Julian. “John Rawls: can liberalism's great philosopher come to the west's rescue again?” *The Guardian*, dec 2020.

society while behind a “veil of ignorance”, that is to say while, at the same time, ignoring information such as their natural qualities, their economic status, or other circumstances they might be born into.

Another main dissertation of the author, “Justice as Fairness: political, not metaphysical”, later reapproached by “Justice as Fairness: A Restatement”, published in 2001, a year before the author’s death and thirty years after his first work, is obviously to be viewed as a continuation of *A Theory of Justice*. Within this restatement he tries to clarify several of the ideas he has expressed in his main writing, even stating that his framework is not to be viewed as a defence of welfare-state capitalism, as it was instead often interpreted, and to respond to criticism, and tries instead to propose alternative regimes that would respect the principles of justice, writing a list that is composed of five systems both adequate and inadequate.⁴

1. Laissez-faire capitalism, characterised by a lack of interference on the economy by the government and viewed by Rawls to be incompatible with both “the fair value of the equal political liberties and fair equality of opportunity”, and is deemed to be characterised by a “low social minimum” in its quest for the maximization of growth and efficiency in an economic system.
2. Welfare-state capitalism, defined by a capitalist state, however characterised by some government intervention in the economy and even altogether allowing redistributive policies, allowing for a reasonable social minimum. Rawls considers this regime to “reject the fair value of political liberties”; while considering equality of opportunity, it is valued incapable of achieving it through its policies, maintaining vast inequalities in property-owning and concentrating economic and political power in the hands of a small minority.
3. State socialism, characterised by a command economy and an authoritarian regime that owns the means of production, of which we may see the most famous historical example in the Soviet Union or, at least namely and partially, in contemporary China. This regime is faulty of not respecting the equal basic rights and liberties, neglecting democratic procedures and market economy.
4. Liberal socialism, characterised by, akin to the distribution of democratic power in democracies through voting rights, a distribution of economic power among firms, within which management and direction boards are elected by its workers. Differently from state socialism, said firms are inserted

⁴ Rawls, John (2001). *Justice as Fairness: A restatement*. pp. 137-138

within a context of free and competitive markets. In essence, a form of socialism that would allow within himself democratic and liberal elements.

5. Property-owning democracy, which we will now broadly define as a political system inside which property and other resources, such as abilities, knowledge and other forms of capital, are widely distributed -as much as possible- across a population, thus ensuring cooperation through equal relationships and trying to prevent the formation of an underclass.⁵

Within these arrangements, only the latter two are deemed capable of satisfying the two principles of justice that he envisioned, of which “property-owning democracy”, which will be explained and expanded as we progress, will be the focus of this dissertation.

The **structure of the dissertation** is going to be composed of three sections, hereby listed, and followed by my concluding personal remarks, thoughts and perspective on property-owning democracy, considering what I have read and studied in order to construct the thesis. In the first section I am going to discuss the general notions of private property and thus property owning, providing a brief historical account and listing the most important perspectives that have arisen around the notion aside from that of Rawls: libertarianism and socialism. In the second section I am going to concentrate on the Rawlsian perspective by describing property-owning democracy through its characteristics and differences from welfare-state capitalism specifically. Within the third section I will illustrate the most academically relevant criticisms that, throughout time, have been made to property-owning democracy, from both what could be considered, by using POD as a central frame of reference, “left-wing” and “right-wing” positions.

2, The Notion(s) of Property Owning

In this chapter I will be briefly illustrating what the notion of private property entails and, specifically, the angles through which property owning has been viewed by those who have studied and implemented it in their theoretical framework. Private property is defined as the ownership of goods by legal entities that are not the State or its government.⁶

⁵ Rawls, John (2001). *Justice as Fairness: A restatement*. p. 140

⁶ <https://dictionary.cambridge.org/dictionary/english/private-property>

In order to be respected, the private ownership of a good –the ability to make it unlawful to be stolen from others and to allow the owner to exercise at least some form of authority over it through selling, - is normatively enforced on and for individuals by a third party: the State, which chooses up to what point it is possible to exercise property over an object (i.e., it is sometimes possible to own a CD but not to publish its content if enforced by certain copyright laws; it is possible to own a vehicle yet attempts at modifications in order for it to obtain a certain characteristic or performance is often a crime). It follows that the State, be it democratic or authoritarian, be it employing a laissez-faire or a command economy, and private ownership are already inextricably intertwined.

Property and speculation thereof have deeply rooted historical origins -we may look at the roman word *dominium*, the whole of the powers a person exercised over a thing- and the concept of ownership has been sparking considerable debate for millennia: from Plato arguing that collective ownership is a necessity for the common good and Aristotle's counterpoint that private ownership encourages virtues such as prudence and responsibility, to modern and discussion and points such as the Marxist, Libertarian and Rawlsian ones.

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It is quite useful to provide at least a general, necessarily un-thorough account of these points of view, which are different from -when not outright antithetical to- the perspective Rawls goes on to implement when he talks about property-owning democracy, within which it is possible to conceive property as much more than physical property such as buildings or machinery.

Marxism, Socialism and Collective Property: Coerciveness and Abolition

Marxist thought and ideology argued for the illegitimacy and abolition of private property, vastly regarded as the private ownership of the “means of production”, which stood for any mean capable of generating goods, services or products.

Said private property, well distinguishable from personal property intended for individual use (e.g., toothbrushes and clothes), was considered inherently or structurally coercive, conceding an unsurmountable advantage to the owners of said means over those wage-laborers, who were employed to use them and, according to Marxists, mandatorily employ their natural skills to give out the surplus labour they produce to their employer during the exchange in order to receive a salary and buy basic commodities that are necessary to survive -a primary example would be that of factory workers-; this gives an overview of how for Marxists

⁷Waldron, Jeremy, "Property and Ownership", *The Stanford Encyclopedia of Philosophy* (Summer 2020 Edition), Edward N. Zalta (ed.), URL = <<https://plato.stanford.edu/archives/sum2020/entries/property/>>.

contracts between property owners and paid labourers do nothing except giving a false impression of free will.

Marxist theory also makes an argument for coerciveness by considering it from the perspective of freedom of non-owners: if a piece of land belongs to somebody, the non-owners of such land will be limited in their movement and direct benefit of the resources within it, thus creating some sort of inequality, as the owner will be able to move both within his private property and public spaces, while the non-owner will only have one remaining unconditional choice -possibly none in a society where everything is privately owned and not everyone is a private owner-; such an example is provided by Eric Freyfogle in his writings and reported by Jeffrey Reiman in his "As Free and Just as Possible".

Property of the means of production, according to this view, should be at first taken on by the State and then slowly, within a final phase of dissolution of such entity, be transferred in the direct hands of all.

The Libertarian Approach: Entitlement

The historical roots of the Libertarian approach lay in John Locke's second treatise of government, written in 1690. Within the treatise Locke tries to argue for the legitimacy of the individual right to legitimately and *unilaterally* acquire, possess and make use of property, rather than basing his line of thinking on some form of consent between parties. He argues, for example, that since currency is considered as such not due to some universal property of it, but through human conventions, it has already received an un-explicit consensus from those who use it.

Particularly, Locke merged some aspects of first occupancy theory (arguing that a land's first occupant did not dispossess anyone else's property and was thus legitimised to be entitled to the latter) with and the productive use of said resources, which would help to overcome several issues that may be a consequence of the implications of first occupancy theory, as resources used productively may advantage all of society. He also first mentioned a concept that would later be explored by other libertarian thinkers, that is the use of self-owned capabilities projected on the control or manipulation of an object or something that is considerable property.

Robert Nozick, vastly regarded as the most prominent Libertarian philosopher of the twentieth century, argued for an entitlement theory. He formulates that, from a moral standpoint, individuals are entitled to the means they own, provided that:

-they came to acquire said previously unowned property justly, and through this pre-requisite it must be determined which category of property can be acquired and held.

-they also justly acquired said property through an exchange with someone else, voluntarily and not through stealing, coercion or fraudulent acts of any sort, arguably including market restriction and the constitution of cartels.

-there is a system in place that oversees and rectifies the unfair acquisition or exchange of property, thus establishing a set of rules to be followed to return to a situation of equilibrium.

Nozick's theoretical framework, when it is concretely applied to a political regime, sets the foundations for a free-market society and a minimal State, with government intervention that is only related to preventing fraudulent acts or providing such services or spaces that would not be functionally integrable within said market.

*

These two approaches, as we have seen, exhibit considerable difference between each other, because they consider the issue of property from antithetical perspectives; one focusing on freedom in property acquisition and full realisation of individual skills and talent, the other instead concentrating on the freedom and conditions of those who may not acquire property and thus find themselves in a situation of inequality or outright exploitation.

As we are going to see and have already partially understood by his general theoretical framework, John Rawls' property-owning democracy does ponder over the issues of liberty, opportunity, equality and societal differences, offering an important perspective through his work.

3. The Rawlsian Perspective: property-owning democracy

3.1, a brief overview

What does property-owning democracy fundamentally represent, in John Rawls' own words? He uses several important definitions that are going to be addressed within the thesis.

Although not explicitly talking about property-owning democracy, Rawls himself, in "A Theory of Justice", describes four background institutions⁸, or branches of government, that would be helpful in order to construct a democratic State that allows for the private ownership and dispersion of capital, property and wealth between citizens, although not necessarily in a perfectly equal way, while also getting closer to respecting Rawls' principles of justice (it is clear that for such a system to exist there needs to be a secure constitutional foundation to guarantee it, equality of opportunity and the provision of a social minimum);

The allocation branch, whose task is to ensure competitive prices, prevent the formation of monopolies and unfair competition and more generally maintain the efficiency of the markets, using instruments such as provisions, taxes or subsidies.

The stabilization branch works on the aspects relative to the employment line, trying to minimise the issue of unemployment for job-seeking individuals and contributing, together with the allocation branch, to a well-functioning organisation of the markets.

The transfer branch, assigned to provide what is set as a reasonable social minimum that can be adopted without damaging the benefits that the economy provides for those who are worse-off.

The distribution branch, that is set up to maintain justice (i.e., by building public infrastructures and government programs) through taxation and other means and to keep inequalities of wealth and property within moral⁹ bounds.

The system that we mentioned possesses the following characteristics, apart from the aforementioned "dispersion" of ownership of property such as assets, productive means, human capital to citizens, in opposition to both libertarianism and collective ownership of property, property-owning democracy fostered an egalitarian view of society linked together with an intrinsic consideration of human freedom, trying to guarantee true agibility to the citizen, not only resource-wise, but also putting as much effort as possible in making sure the citizen has the mental capacity and peace of mind necessary to fully exploit such acquired power.

⁸ pp. 242-250

⁹ Moral used as in "that respects Rawls' principles of justice".

- 1) It ought to guarantee what Rawls calls realizing the “**fair value**” of political liberties, something that will be further expanded in later paragraphs and that alternative systems such as welfare-state capitalism (or, even more so, laissez-faire capitalism) fail in his perspective to adequately provide¹⁰; for this value to be satisfied, it should be possible for citizens who have roughly the same skills in terms of both talent and commitment to achieve similar goals and enjoy an equal chance of shaping the world around them.

- 2) It safeguards “**fair equality of opportunity**”, which is broadly intended as the capacity of putting all citizens on a roughly equal socio-economic footing through an ex-ante rather than ex-post distribution, respectively at the beginning and at the end of a defined period. An ex-post (in Latin literally “from afterwards”, subsequent to a prior situation or period) distribution has a negative effect on the self-respect of the individual, as the third point explains. An ex-ante (in Italian one may explain it as a *priori*) distribution does not simply try to compensate those who find themselves at a disadvantage after natural misfortunes or accidents, but instead tries to go at the root of the issues described and to construct a society able to produce an intrinsically and consistently equal starting point for citizens to manage their own affairs; this could be considered a substantial difference between Rawls’ worldview and luck-egalitarianism, differences that will be further observed within a following section.¹¹

- 3) It displays the characteristic of **mutuality**: Rawls accuses political systems other than liberal socialism and property-owning democracy of generating a lack of reciprocity and self-respect through an intrinsically negative conception of the beneficiaries of its redistributive policies, such as the consequent idea of “makers” and “takers” within the economy, idolizing those who reach a very high economic status and yet damaging in several ways the ability of a welfare recipient to manage his/her own affairs properly, conferring a both external and internal impression of low status¹², with all the consequences that come with it, such as the formation of an already briefly mentioned underclass solely dependent on welfare, devoid of self-respect and having to deal with the psychological consequences of low perception from others and themselves.

¹⁰ Rawls, John (2001). *Justice as Fairness: A restatement*. p. 138

¹¹ Wesche, Tilo (2013). *The Concept of Property in Rawls’ Property-Owning Democracy*. pp. 103-104.

¹² Garthoff, Jonathan Franklin (2020). *Rawlsian Anti-Capitalism and Left Solidarity*, p. 409.

3.2, Property-Owning *Democracy or Property-Owning Democracy?*

There is a significant historical difference between the two formulas, as Ben Jackson explains in his “property-owning democracy: a short history”. I have decided to include a brief overview of this topic because of the fundamental theoretical divide between two linguistically identical terms, differing only by a focus on one word or the other.

It is often possible for similar reasons to come to different interpretations of one’s writings: that is one of the reasons why many held John Rawls as a defender of welfare-state capitalism before his explicit rebuke of it.

Property-Owning Democracy is vastly different from its “grammatical twin”, the characteristics of which I have already exemplified. Much more associated with English neoliberalism, specifically that associated with the policies of the Conservative party, then aligned with the figure of prime minister Margaret Thatcher.

The characterising aspects of the Thatcherian conception of the State had nothing, or at least very little, to do with Rawlsian philosophy: indifference to a substantial growth of property and income inequality, a focus on those who own property and their right to defend it rather than an effort to make sure everybody had equal access to the obtainment of property; one could argue that it had far more in common with right-wing libertarianism.

It is nevertheless interesting how these two forms of government did have a common origin, rooted in early political theory and discourse, arguing for a wider distribution of property going along with an increase in citizens’ political power.

Rousseau and Harrington, as first and earliest main examples, argued for communities which were constituted of small producers politically empowered each on their own and independent from each other’s will, with no overwhelmingly dominant power in terms of resources and political viability. This was of course a pre-commercial mindset, not considering the benefits produced by specialisation in the production of a good, trade and thus interdependence to the extent we do now, mainly due to Adam Smith’s contribution.

Thomas Paine, through his two works “The Rights of Man part two” and “Agrarian Justice”, both written in the late eighteenth century, started to envision a social system aiming at redistributive policies through taxes (on income, capital and inheritance) and other instruments (pensions, guaranteed education, support to families, capital endowment) in order to secure the material conditions of individuals for them to freely and independently act on their role and duties as citizens, aiming to a State entrusted to disrupt the massive concentration of wealth and thus political power caused by unregulated economic and social activities.

The term “property-owning democracy”, a de facto common ancestor of both the terms initially accounted for, was effectively coined during the early twentieth century by Skelton, a British Conservative –some aspects were also theorised in the 1912 written work, “The servile State”, by Belloc, also British- as a counterpart of socialism, swiftly imposing itself as the most popular leftist alternative to the established capitalist system; rather than collective ownership of property by all, which under socialist systems might actually mean ownership of all property by a very restricted class composed of an immensely powerful political élite, it called for the diffuse ownership of properties by individuals and three clearly described main policy innovations:

- 1) Workers’ participation in industry decisions and the possibility of them gaining benefits from industry profit-making, thus also making them capitalists in some respects.
- 2) The expansion of agricultural small-scale enterprises, with the aim of distributing land-property; regarding larger issues pertaining agriculture, he aimed to incentivise cooperation between involved actors.
- 3) The use of citizen-endorsed referendums in order to override major constitutional setbacks through parliamentary decisions.

It is doubtful how much effort would have gone into redistributive policies focused on attaining equal ownership of property (it was certainly not the intention) or through which methods would these goals be reached, if through State intervention or more indirect means; as it is known, the formulation of political theory and the creation of sustainable norms need an in-between bridge that undertakes the –often not so easy- effort of transforming theories into laws and policies, and Skelton did not manage to acquire enough influence throughout his life to realise said proposals, even though this conception of Property-owning democracy did live long enough to be molded into the imaginary of the British Conservative Party, though gradually parting ways throughout the decades with Skelton and Belloc’s original ideas and conception, focusing instead on the requirement of at least minimal property ownership by citizens -who were to be satisfied with having acquired, for example, a place to live in and a car-, not entertaining the concept of inequality of distribution and endowment.

The existence of this term led to the formation of different strands of British political thought around it.

The Liberal Party tried to implement, also through the use of the interesting concept of the property-owning democracy, a third way of thinking: neither property in the hands of a few overwhelmingly powerful élite nor the placement of the entirety of it in possess of the State, developing a diverse political tradition trying to reconcile independence and freedom with social responsibility.

One interesting aspect of this theoretical strand is a focus on workers' participation in industry decisions and even their possession of company shares; this process was particularly explored by the liberal strand and did not receive as much attention by the labour strand, which I am going to explore in the following section.

The Labour Party's internal "right-wing" faction, the so-called revisionists, also contributed to the discussion around this suggestive slogan, proposing the broad diffusion of property as an alternative to nationalisation policies, obtainable through Keynesian demand management, space to market enterprises together with the public ownership of monopolies and a more equal distribution of private property, focusing on egalitarian outcomes and instruments such as a strong welfare State and progressive taxation of income more than their conservative and even liberal counterparts.

They called for several measures, with the aim of ensuring citizens' equality and their decisional freedom from those with a much greater number of resources: a stronger taxation of wealth, with a particular focus on inheritance taxes, equal access to employable and marketable skills -I.e., through education- and an effort to incentivise further dispersion of resources and property ownership.

The liberal and revisionist frameworks vastly contributed to economist James Meade's liberal-socialist perspective on property-owning democracy, linking together Keynes-inspired proposals and the egalitarian sentiment of the Labour Party, formulating a basis for the theoretical policies shown within the previous section and a call for a more egalitarian distribution of property, and thus of socio-political power, between all citizens: his work "Efficiency, Equality and the Distribution of Property" was regarded to be one of the main inspiration to "A Theory of Justice", employing the term property-owning democracy by spelling it out to be one of several other systems theoretically designed to attain more egalitarian outcomes, such as:

- 1) A trade union state characterised by strong unions able to exercise a high contractual power in collective bargaining in order to obtain satisfying conditions for workers.
- 2) A welfare-state that could finance generous social programs to those who find themselves in condition of poverty through a strong system of taxation.

These two strategies were deemed to be economically inefficient if pursued indiscriminately, while also not appropriately acting upon the issue of unequal distribution of property.

Meade's property-owning democracy thus proposed a mixed strategy of distribution of private property to individuals and, at the same time, making sure that said distribution was egalitarian, drawing upon revisionists and liberals and aligning afterwards with the Social Democrats, a Labour breakaway party which later merged with the Liberals.

A quite different, conservative strand was represented by Thatcherism: the idea consisted in that of a democracy of owners, expectedly devoid of class envy toward the wealthiest among them; such theoretical framework weakened the redistributive aspect of property-owning democracy and was more oriented toward free markets (privatisations, laissez-faire policies, indifference to the increase of inequality both income and property-wise) and individual agency.

As we can easily notice, the latter conception of property-owning democracy was by that point no more than just a distant "cousin" of and effectively antithetical to what would be Rawls' conception of property-owning democracy, employing not only different policy proposals but also trying to achieve practically unrelated goals.

3.3, Differences from Welfare-State Capitalism

Those who discover property-owning democracy and start to read into it may come, and often do, under the impression that much of its framework is consistent with welfare-state political systems, such as those employed by advanced European nations; that, at its core, property-owning democracy calls for a progressive taxation system, redistributive policies from the lucky to the un-lucky through a system that guarantees a reasonable "minimum" for citizens, and nothing more than a form of capitalism that ensures some form of guarantee for those who get, as one might say, "the short end of the stick".

Under further examination, we can conclude that this is not the case, and that property-owning democracy is not only different from welfare-state capitalism, but even tries to include solutions aimed at minimising or resolving those considered to be the issues caused by said system.

Section 1: Fair Value of Political Liberties.

Rawls clearly remarks in “Justice as Fairness: a restatement” his belief that both laissez faire and welfare state forms of capitalism, each in its own respect, lack the adequate structure to provide for the fair value of the political liberties.

Laissez-faire capitalism often grants citizens nothing more than the absence of a prohibition: one can, on paper, speak freely, choose for him or herself, vote for a representative or found a party. Yet for many it is nothing more than principles written on a piece of a paper, as the material ability for an underpaid, starved, uneducated individual to do something more than trying to satisfy his or her basic needs is severely undermined. On the other hand, an influential landowner, a wealthy entrepreneur, or even just someone who had the economic resources to go through formal higher education and thus acquire a certain set of skills, and is thus able to, up to an extent, practically exercise his or her political rights, will de facto prevail over the former and by all means and purposes be part of a socially superior group.

Welfare-state capitalism does at least try to resolve some of the issues caused by laissez-faire capitalism through social measures and government intervention, so that members of a society do not at least have to worry about their basic physical needs and have a greater margin to meaningfully exercise their rights. Even though it is important to highlight this difference, it must be noted that even in a perfectly realised welfare-state capitalism within which no citizen falls under a certain threshold in terms of basic needs –needless to say, to determine this threshold is a very difficult task due to its level of subjectivity: it is even possible to argue that the United States themselves are not entirely classifiable even as a welfare-state capitalist regime-, the fair values of political liberties would remain unfulfilled. That is because Rawls envisions this concept to be reasonably satisfied only when members of a society have the same agibility: that is to say, they are granted roughly the same chance to influence society and determine the direction of political decisions. This principle would, theoretically and according to Rawls, have more chances of being respected under either property-owning democracy or liberal socialism.

Section 2: Ex-Ante, Ex-Post; Differences with Luck-Egalitarianism.

Rawls, as I have already mentioned, argues for an ex-ante redistribution, calling for the transfer of wealth at the beginning of a given period rather than at the end, a phase when resources have already been extracted, extractors of said resources had already been glorified and those who did not manage to stay on par had already been marginalised as beneficiaries of the sacrifices of others.

Luck-egalitarianism, namely the belief that for the principles of equality to be respected individuals should be compensated for their natural misfortunes and un-luck, does not correspond to Rawls' vision for several reasons:

- 1) It would be very difficult in some cases to quantify and qualify what consequence was dictated by a choice and what instead had a purely causal origin, as society constantly shapes our personalities and our decisions and makes it nearly impossible to determine nature and "nurture", let alone adequately compensate for it: we can often reasonably determine someone's status as a mixture of the two, but it would be difficult to further elaborate or act upon it following this line of thought.
- 2) This particular attention to misfortunes to be compensated causes several issues with Rawlsian theory: the unfavourable position of the misfortuned, from such a perspective, is the result of somebody's weakness, thus mining the self-respect of a person, coming back to the first lines of this section.
- 3) Equality, in Rawlsian theory, does not come from occasional compensations, but is therefore a paramount prerequisite for the existence and well-functioning of a society that respects the principles of justice.

Section 3: Antithesis to Meritocracy and Welfarism.

Rawls' potential satisfiability of the principles of justice through property-owning democracy include a strong contrast to two notions that instead characterise welfare-capitalist political regimes.

Rawls employs a significantly anti-meritocratic point of view within his theory, not in the sense that a society that is fully meritocratic would be worse state than the present one; on the contrary, Rawls would recognise that an effectively meritocratic society, a welfare-state developed to its full expectations and capabilities, would be an improvement, if compared to existent regimes.

That is the case because, for Rawls, merit is difficult to assess within a social context of cooperation. The public assessability of something for it to be understood to respect the principles of justice is an important aspect for Rawls. It would not be out of context to argue that Rawls' difference principle does not focus on those who produce the inequality benefitting from it, be it through merit or something else, but on "the least

advantaged”, and that for an inequality to be just it is fundamental for them to also benefit from it; one last notion is that individuals, in many cases, achieve merits through fundamental qualities and predispositions that were given to them through genes, early-years environment and familial resource endowment, not, or not entirely, as a result of some sort of choice.

This would not imply for talents not to be used, as one could mistakenly think, but that they should be used for society’s good in its entirety: such a conception clearly does not bode well with the idea that an individual’s merit or talent should entirely or mostly benefit him or her just for the sake of its existing.

We can also safely say that Rawls was not a welfarist, and that this aspect of his thought, together with his anti-meritocratic stance, is crucial in drawing the line between property-owning democracy and welfare-state capitalism, though to Rawls the presence of welfare within a capitalist system is certainly preferable to its absence.

Firstly, it is difficult to socially determine the level of an optimal or acceptable social minimum provided by the State through welfare measures; secondly, welfare can be difficult, even when reaching a level unanimously agreed upon, to account for, and it would be complex to determine that the established level has already been reached or whether other measures are necessary.

We can also observe the, broadly mentioned within this thesis, aspect of reciprocity and self-perception of a citizen’s dignity and the issues it seems to create when we put it together with welfare state systems: the enactment of welfare measures can give rise to an unequal perception between citizens that pay for welfare measures and those who benefit from them and, therefore, the latter not being perceived as productive members of a society and alienating themselves from it psychologically and through their –lack of- political engagement.

It is also important to note what Rawls defined as the “legal definition of property rights”, how certain property rights are regulated through law, a concept that would need to be modified in order for it to work within a just regime such as a property-owning democracy.

Section 4: Anti-authoritarianism: Contrast to Monopolies and Inequalities.

John Rawls explicitly places the ability of a citizen to exercise his or her political liberties as above many other recurring aspects of his theory. In doing so, he maintains a structural and broad anti-authoritarian commitment.

Structural because at the core of his thought we can easily find a deeply rooted anti-authoritarian sentiment and an emphasis on personal freedoms, differently from many strands of socialism that emphasise collective well-being and subsistence over the free exercise of political liberties and the formation of nationalised economic hyper-monopolies.

Broad because he goes one step further than certain strands of liberalism by challenging both political and economic forms of authoritarianism: this translates to workers' involvement in firms' decisions and right to join unions, breaking up large monopolies through severe antitrust legislation, preventing economic superpowers from influencing the political sphere through the financing of elected officials and party structures, thus supporting public campaign funding.

Property-Owning democracy would also recognise the inherent injustice of a vastly unequal concentration of wealth in the hands of few, thus enacting measures such as considerable restrictions on inherited wealth, while simultaneously not being a socialist system and not requiring for productive assets to be collectively owned by workers or for firms to be entirely controlled by the latter.

3.5, Drawing Conclusions

We can see how property-owning democracy serves the function of an alternative to both marxist collectivism and welfare-state capitalism: unlike the former, the system proposed by such regime consists of a wide, equal distribution and availability of property instead of its collective ownership; unlike the latter, property-owning democracy is not limited of concerning itself with the distribution of resources between the "fortunate" and the "unfortunate" and the realization of public services and infrastructure that would help with that.

We could say that property-owning democracy further defines itself by gradually marking a contrast to other models, being both concrete regimes and theoretical systems of thinking, by analysing what in Rawls' mind is wrong with them -I.e., wrong as in, incoherent with his principles of justice- and trying to straighten out those flaws.

Clearly one thing that stands out is that, despite what I would consider to be a strong argumentative soundness behind property-owning democracy, the regimes Rawls criticize have in fact already existed in the present or the past: state socialism arose in the Soviet Union and other regimes, such as the Cuban one,

through the twentieth century; laissez-faire capitalism was in fact employed by western liberal regimes that span between the nineteenth and early twentieth centuries, interrupted by the gradual adaptation of welfare measures such as public education and healthcare, workers' right, Roosevelt's New Deal policy package in post-1929 United States context, and so forth; welfare-state capitalism is well represented, at least in part, by all highly-developed, industrialized western economies.

It would thus be fair to say that while all such systems have proven to function, despite the presence of many flaws that Rawls clearly outlines, property-owning democracy has never been put to the test; it would then be interesting to put together, as I will try to do in chapter four, what arguments that proponents of different systems, often criticized by Rawls, bring forward to defend respectively laissez-faire capitalism, welfare-state capitalism and state socialism, and to confront property-owning democracy with liberal socialism, the other system fit, according to Rawls, to respect the principles of justice.

4. Criticisms

4.1, *From "Left" ...*

Those who critic John Rawls from a leftist position come from, fundamentally, two strands of thinking: those who would rather employ a command economy, much more akin to that of the Soviet Union, and the supporters of liberal socialism, already contemplated by Rawls.

State socialists maintain that property-owning democracy would not be as effective in settling inequalities in the ownership of the means of production and would not fully remove the well-present effect in capitalist societies that sees wealth progressively concentrate in the hands of few.¹³

¹³ Holt, Justin (2017), *"The Requirements of Justice and Liberal Socialism"*, pp. 171-194

Liberal socialists simply argue that, between the two systems approved by Rawls' framework, liberal socialism is more practical or adequate than property-owning democracy to either be implemented or attain the principles of justice.

Section 1: Economic Democracy.

The author that I am going to cite for this part of the dissertation is David Schweikart and his "Property-Owning Democracy or Economic Democracy?" and "Should Rawls be a Socialist?"; in the latter, he tries to find seven indictments of capitalism for Rawls, admittedly mistaking, as many others did, his arguments as an intentional defence of welfare-state capitalism.

He classifies¹⁴ capitalism as:

- 1) promoting an unjust division of wealth, with few very rich individuals and many below the poverty threshold. In "After Capitalism"¹⁵ he argued that the state of inequality is what matters most, rather than its existence, as the real tragedy does not consist in certain people faring better than others, but rather in the cohabitation of wealthy and "desperately poor" people.
- 2) not offering a definitive solution to unemployment: many experts state that a certain rate of unemployment can even be seen as healthy for a market economy.
- 3) creating unnecessary or irrational desires through consumerism, satisfactions, he claims, disguised as needs.
- 4) alienating workers, through both the arrangement of production, coupled with that of...
- 5) ...resources, and their allocation, decisions that are often taken without their consent and without taking into consideration their priorities, their creativity, their preferences.

¹⁴ O'Neill, Williamson (2012). *Property-Owning Democracy: Rawls and Beyond*; Schweikart, David. *Property-Owning Democracy or Economic Democracy?* pp. 202-205.

¹⁵ pp. 92-93

- 6) only considering growth for its own sake, without taking into account its ramifications within society and the consequences it provokes.

- 7) to host in its own structure the seeds of instability through the cyclicity of market economy: inflation, deflation, the rise and fall of the stock market, periods of crisis that are a natural consequence of the way the system works.

In the former, while using its seven counts of indictment as a standard, he tries to put together a model that he calls “Economic Democracy”, substantially a socialist model, against which he holds Property Owning Democracy, arguing that the former would be a better social alternative and that it would better satisfy even Rawls’ initial parameters, and that Rawls himself should not only be a socialist, but also adopt this system as the ideal one.

First, he envisages property-owning democracy as something that might look like a modern welfare State, and then attempts to differentiate it from the latter by marking a clear difference between the two: that of different “legal property rights”, through which the shares of a company are not concentrated in few hands but are instead widely distributed between citizens, making a paragon with an economic model, that of John Roemer, that adopts such rules (mass ownership of company shares that cannot be sold, but only exchanged with other shares) in a way that effectively prevents the mass concentration of wealth and allows for the dispersion of property, and adding to that the theoretical ramifications of government Rawls felt necessary in order for a State to function: the allocation branch, the stabilization branch, the transfer branch and the distribution branch.

He then proposes an alternative model: economic democracy, in which large firms are not privately owned but belong to citizens and society, and are controlled and directed by their workers, receiving as a compensation a portion of the shares of the company they work in, even differing in size; in addition, said firms cannot be bought or sold, and the defining characteristics of this system are workplace democracy and social control of investment, where business investments happen with the aid of public banks that are funded by a tax on capital assets.

In comparing the two models, Schweikart insists that economic democracy fares better regarding most, even if not all, indictments, first assuming that, as it was never specified otherwise, that the banking system of property-owning democracy will consist of private banks.

Economic democracy, Schweikart asserts, would theoretically be more egalitarian in its treatment of citizens than its adversary, at least within a firm, through a democratic workplace in which workers are equipped to serve as watchdogs for the management of a company, even though it would be fair to consider the cultural aspect of a society, that Rawls never missed out on, and the fact that, within a fully realized property-owning democracy, an egalitarian culture would be dominant; in a property-owning democracy, at least the one operating under Schweikart's hypotheses, income inequality would be better dealt with than in an economic democracy, as workers under the former would possess shares of a certain range of various companies, while those under the latter would be exposed to the highs and lows of a company, thus granting, in practice and overall, a better handling of inequality to property-owning democracy.

When instead, for example, confronting systems about unpleasant, dehumanised work, he considers that there is a great difference between a society composed of large capitalist firms and one composed of large democratic firms: the first one tends to deskill labour, when possible, as unskilled workers cost less, and this could be an advantage for a firm seeking to maximise its profits; within the second one, instead, it is not certain that maximising income would be the main aim, and it is possible that it would be considered worthy to sacrifice some profits to create a more pleasurable and skill-enhancing work environment, as nurturing talents and skills can be a very pleasurable activity; property-owning democracy, though, would probably not exactly function like a capitalist society in this regard, due to the lack of large shareholders overseeing management processes, and thus it would be less likely that diffuse shareholders, unbound by corporate interests akin to those in capitalist societies also lacking of the already referred to egalitarian culture that should permeate property-owning democracies. All things considered, economic democracy should in this case enjoy a certain, even if not considerable large, advantage.

Regarding growth and investment, an important characteristic of economic democracies would come into play, as business investment, as we already said, would be regulated and managed by public banks, and the decisions more or less taken more democratically, even having an effect on territorial inequalities in investments and flows of fundings (and possibly favouring community maintenance and cohabitation), rather than by owners of large capitals that try to maximise their profits, while in property-owning democracies the market would play a more significantly role when it pertains to investments; as a consequence, an economic democracy is deemed to be advantaged in this regard.

Other than that, and overall, he claims that an economic democracy would be more stable, even if steadier and less prone to growth, characterised by lower unemployment and more satisfied workers, and that citizens would exercise more control in directing funding and investments and would be free to decide at what rate the system they live in should grow; this, clearly, following the assumption that property-owning democracy operates on the financial scale just like a capitalist society. But, Schweikart argues, if this aspect does not

exist, it would be difficult to call property-owning democracy not socialist, even though it still does not comprehend democratic control of the firms.

Section 2: Liberal Socialism.

Edmundson, instead, in his “John Rawls: Reticent Socialist?”, written after Rawls had rebuked the conception that his work was a defence of western capitalist regimes and had suggested some regimes that could be made into possible theoretical alternatives, considered liberal socialism as not only the most adequate system, but even deemed it the only feasible alternative proposed by Rawls and capable of realizing his principles of justice¹⁶, even going as far as saying that Rawls instead was a socialist, stating that, according to him, he himself was on the verge of declaring liberal socialism as better than property-owning democracy; but also that he was a reluctant one, for reasons that are going to be specified within the next paragraphs.

As Rawls had never written something resembling a qualitative comparison between property-owning democracy and liberal socialism, and never went into detail in comparing welfare-state capitalism with liberal socialism, his first step in comparing the former two was to try and understand their difference: as Rawls intends socialism as a system in which there is public ownership of the means of production and of resources, it would be reasonable to assume these facts as the defining difference between liberal socialism and property-owning democracy, in which diffuse private ownership is legally allowed; it would also be important to point out that according to Rawls public ownership would not be effectively equal with full, centralized control: even when he tries to think about socialist regimes, Rawls still tries in some sense to preserve the efficient allocation of resources through the adjustment of supply and demand that are typical of free market economies and market pricing¹⁷.

Some aspects that property-owning democracy and liberal socialism share¹⁸ consist of having the same goal of being coherent with the systematic view that Rawls has of justice and being capable of realizing aspects that welfare-state capitalism does not, as we have already discussed before, both therefore being alternative to capitalism and sharing a common constitutional, democratic foundation, without which Rawls’ principles could never find their realization; both prevent private accumulation, both guarantee fair equality of opportunity and, Edmundson maintains, also a certain form of ownership, or at least private access, to some productive assets; both do not create the conditions necessary for the existence of a reserve army of workers available to employers and would expect to be as close as possible to full employment, thus guaranteeing a

¹⁶ p. 12

¹⁷ p. 32

¹⁸ pp. 132-138.

greater freedom for workers through a less constrained choice of employment and better conditions even strictly in term of bargaining power.

Overall, though, Edmundson criticizes property-owning democracy by stating that there are elements in Rawlsian framework that seem to particularly favour liberal socialism: its closeness to the concepts of reciprocity, stability and attention to the public sphere, that are well accentuated by Rawls, serve as examples; he even goes on to argue that Rawls was at least partially aware of this fact, but reluctant to publicly state it, hence the use of the word “reticent” in the title of the book, “held back” and “muffled” in his style of writing and in a certain sense constrained by his non-confrontational personality and potential unease at the perspective of backlash and controversy, however correct and logically sound his arguments were¹⁹; it could also be argued that Rawls had also well in mind the historical process of violence and usage of political force that socialist states had proven to be capable of in the establishment and maintenance of such a regime²⁰.

Rawls, Edmundson states, seemed much more interested or at ease in discussing property-owning democracy rather than liberal socialism, on which he never further elaborated, and only said, in comparison between the two systems, that “property-owning democracy could unleash destabilising forces”, not saying the same about liberal socialism; that could be the case because of the possibility for private companies to own the means of production, possibly improving efficiency at the price of risking social equality, something that would not be coherent, according to Edmundson, with Rawls’ framework and main intellectual aim, that of creating a philosophical moral alternative to utilitarianism, a school of thought that at its core puts output before other factors²¹, while of course Rawls did not and could never agree; even within his principle of difference, when he talks about the least advantaged, he never intended for that concept to be merely quantitative, and it is without doubt that he understood some individual rights, such as that of not being sold into slavery, as inviolable regardless of any eventual positive collective outcome.

It is because of the potential destabilising intrinsic risks that Edmundson sees in property-owning democracy’s allowance for privately owned means of production and companies to act within a context of competition and market economy that Edmundson sees liberal socialism as a more secure alternative, entertaining the idea that a collective control of the means of production and a democratic conception of companies, directed by workers that are able to determine where funds can be allocated and how to manage assets and resources could provide less risks and offer fewer possibilities of what we could call an unjust turn of a society. At the same time, according to Edmundson, a society with collective control of the means

¹⁹ pp. 167-173

²⁰ p. 186

²¹ pp. 170-171

of production could be a society that enjoys greater political equality other than economic equality, as the two are clearly strictly correlated.

4.2, ...To “Right”

Section 1: Laissez-faire capitalism.

Laissez-faire capitalism is strongly ostracized by Rawls, possibly being the worst system in comparison with his conception of justice. By allowing for minimal government intervention (and therefore no policies aimed at levelling inequalities) and thus in substance conceding to market forces full agibility (even, one might ask, that of creating monopolies and favour the formation of an oligarchic society), both principles of justice would arguably resent from a society regulated by such system.

It would then be quite natural for libertarians to not agree and criticize with Rawls’ philosophical vision and framework, but a portion of them does instead see Rawls’ vision as capable of encompassing even certain principles that are necessary for a libertarian society: Jessica Flanigan discusses this issue and others in “The Rawlsian Mirror of Justice”, her main claim being that those who read Rawls may very well look into a mirror²², thus, arriving to different interpretations of his ideas through their personal, already-present ideological framework.

Much of Rawls’ framework, Flanigan claims, does not outright reject libertarian ideas: she cites Tomasi, for example, who tries to include libertarian rights within the concept of basic economic liberties, or Brennan’s notion that existing societies closest to the objectives outlined by Rawls did not reach them by limiting economic freedom, and many others: the main reason why Rawls has been interpreted so differently by various scholars, or even the same scholars in different periods, Flanigan argues, is that his writings were not defined, ”underspecified” and unclear, so much so that at times to talk about Rawls looks almost like doing an exegesis of his words, so much so that further proof might be how much work he has put into further clarifying what he wrote²³, which is, amusingly, a not too different methodological conclusion from that adopted by Edmundson, though vastly differing in merit.

²² p. 70

²³ pp. 71-73

One main example could be that of the difference principle, interpreted by some libertarians to be entirely applicable to welfare-state capitalism, as it is the system that, where applied, has maximised the economic status of the least advantaged, if not at its maximum possible capacity, more than every other system, through increasing long-term growth, although this conclusion is widely criticised by Rawlsian scholars²⁴.

Section 2: Welfare-State capitalism.

A welfarist perspective of criticism of the welfare-state comes from Jan Narveson²⁵: he maintains that Rawlsian requirements for justice are not as clear as they could be, and that when we start to delve deep and try to clarify them, the only possible solution that comes out of it is that of the welfare state.

The first unconditional element he finds in Rawls is his strenuous defence of democracy: Narveson, in this instance, defines it as the voting process, in which each person has roughly an equal, free vote and thus is free in his choice; but, in order for this as possible as it can be freedom of vote, individuals could, through voting, choose something else than democracy as their system of government; this is sort of a paradox that often repeats itself, because strictly speaking it is not possible to be free to democratically choose, within secular democracies, to turn them into strictu sensu democracies (that is, people get to vote) that happen to profess Sharia law, or even into totalitarian dictatorships were people only appear to vote or do not vote at all; so, in order for an enduring democracy to exist, it would be an advantage to have auxiliary structures such as a free press, something that prevents individuals to vote for their future inability to cast their ballot, and things like the freedom to profess many religions, to associate with others, political parties, freedom of speech, all within the enclosure determined by the liberty of others to do the same.

With regard to equality of rights, Narveson contests the definition of, being a liberal democracy in place, some people not having “equal rights” to enjoy their freedoms than others, reducing it into a binary concept: if I profess christianity and am not punished, and someone else does the same and is punished, then unequal rights exist, differently there is a problem of definition. With regard to leveling inequalities, he claims that that “*rights to an equal amount of something cannot be inferred from equal rights*”; it is not correct, at the same time, to base the idea of mitigating them basing ourselves on the unfairness of “nature”, as it would provide almost human-like agibility and characteristics to something that does not possess them: since we are the product of our genetic code and our environment, he claims, that is the origin of possible misfortunes, and such differences in abilities, if put on the market, will most certainly lead to different levels of income, wealth and so on.

²⁴ p. 81

²⁵ Narveson, Jan (2017), ‘Property-Owning Democracy’? ‘Liberal Socialism’? Or Just Plain Capitalism?, 393-404

At its core, Narveson maintains that property-owning democracy is not rooted and defined on clear premises, and as such produces unrealistic outcomes, as it dismisses the relevant role those individual skills, for a very large part difficult to be equalized, have on producing a vast range of consequences for the economy when used; it also does not consider the free choice that individuals have in determining their benefit through cost-efficient decisions and paying wisely what economists would call their opportunity cost.

5. Final Considerations: My Perspective

Rawls' notion of a property-owning democracy, derived from his starting standpoint of the requirements for a just society, offers plenty of food for thought in addressing the fundamental issues of freedom, inequalities, natural differences, and tries to offer through its abstract exercise of system-building possible solutions that could, at least in theory, reconcile within a democratic society freedom and equality, in a certain sense respectively the workhorses of the liberal and socialist schools of thought.

Section 1: utilitarianism and a just system

Rawls maintains that a just system should not limit itself to simply maximise utility for the greatest number of people; in fact, his whole work aimed at providing a framework that is alternative to that of utilitarianism: in "Law of Peoples", for example, Rawls, a liberal and democratic thinker through-and-through when it comes to basic human rights, shows his utmost consideration of a series of them, such as the right to life, to not be sold into slavery, for one to think freely and be as free to express her thoughts, to own personal property, and for people to be equal before the law.²⁶

It would not even be necessary to specify that such a conception would be very distant from a classical, act-utilitarian conception of good: for example, it would absolutely not allow for a doctor to kill a healthy individual and use his organs to save a greater number of people's lives, or would allow the torture of ten

²⁶ p. 65

children to put eleven out of torture, and so on; that is because it requires an untouchable individual sphere, that outlined in the previous paragraph, to exist and to prevail over quantitative, numeric benefit.

I would argue that I agree with such a system, mostly because I do not think that healthy individuals, even the most unselfish ones, would feel safe or exit from their homes in a society that, taking those prerequisites to an extreme, could steal their organs at whim to save someone else; I am fairly certain that I would not.

I would also add that in order for such rights to be preserved and fully expressed a system would need to be composed of auxiliary structures that are able to do the job: a constitution that states one's personal freedoms, an education system that would allow someone to be educated and able to form and fully, other than freely, express her own opinion, a healthcare system that is publicly funded and able to cure its citizens without making distinctions.

In order to preserve citizens' political and social equality, I would say that it is fair to in many ways regulate even economic inequalities through redistributive policies such as progressive taxation, with an emphasis on inheritance taxes, and a strict control over the formation of monopolies and market distortions; another important element that should not be overlooked consists in the separation between public and private decisions: Rawls' idea of fairness, for example, is firmly antithetical to the private campaign funding system and overwhelming influence that private structures exercise over the United States' democratic process, and it is an idea I would agree with, because it would be easy to argue that individuals who wield such economic power, in a system that permits such distortion of roles, would as a consequence wield greater social and political power.

Another interesting element that was tackled within the dissertation is workers' participation and influence over firms through shares ownership and thus decisional representation: the idea of workers being at least paid with a mix of wages and firm shares and be represented, for example, by qualified peers elected among and by workers, in order to emancipate them, create a less conflictual and more cooperative climate within a firm's management, at the same time favouring their empowerment and being made responsible of a firm's actions, as at that point it directly benefits or damages the worker's earnings and the growth and efficiency of the firm would be in his best interests; I would agree with similar provisions because they put together matters of equality and responsibility.

Section 2: Rawls' interpretation

Flanigan raises a fair point when she says that when many readers look at John Rawls' writings and ideas each one of them is tempted to interpret them also through their pre-existing lenses, their political and theoretical background, their vision of the world, possibly due to Rawls' unclear and, at times, difficult to interpret style of writing, despite his numerous revisions, intellectual correspondences and written

clarifications; possibly, she argues, a clear style of writing would not have warranted for such an amount of rectifications.

Another author, Edmundson, states a similar concept: Rawls did not promote clarity through his style of writing, which he defines “held back” and “muffled”, attributing it at least in part to the author’s personality. It is interesting, and should be something to keep in mind, how these two authors, whose take on Rawls I have mentioned throughout the dissertation, come from two vastly different schools of thought, did in fact reach very different conclusion about the merit of Rawls’ considerations and all this notwithstanding share what may be considered a similar approach on this issue.

This concept, which I consider having at least some truth in it, should however be weighed in with the fact that when authors reach such a notable status and influence, it is natural for varying interpretations of their works to emerge: for example, how many Marxists or Hegelian schools of thought exist and have existed during the last two centuries?

From what I could manage to understand, John Rawls was very concerned with the issues of freedom and democracy, considering them paramount; as such, he can fully be considered as a defender of the basic theoretical roots that constitute liberal democracies, employing them as the starting point of any further elaboration and thus recognising that in such system, the political authority rests within the hands of citizens²⁷. As such, it is fair to assume that Rawls would not expect philosophical, theoretical system-creation to be followed and realised as what he envisioned in a vacuum, as going into detail about such exercise was never his aim in the first place.

But, just as much as he was concerned with freedom and democracy, Rawls was truly and deeply characterized by an egalitarian spirit; as a man who lived in the twentieth century, he knew the system he lived in: he understood its merits, hence why he always made sure to cautiously make distinctions and establish a hierarchy between, for example, welfare-state and laissez-faire forms of capitalism (and that is why I would not agree with those who try to assess Rawls within a libertarian framework by, for example, including libertarian rights of ownership within the notion of basic economic liberties), while never being tempted by the prospect of envisioning some forms of illiberal, authoritarian regimes as just, knowing and having clear in mind the, at the time, present examples of regimes such as that of the Soviet Union; he also observed, and very clearly at that, its flaws, criticizing them and trying to elaborate, in theory, a way to remove them.

Later on in his life, especially through his “Justice as Fairness: a Restatement” he went on to explicitly rebuke our current system as a system that is able to respect the principles of justice, trying to, I would say,

²⁷ Maffettone, Sebastiano (2010): *Rawls: An Introduction*, p. 12

elaborate some potential candidates able to export and ameliorate what of good existed in western regimes and removing or minimizing some structural factors that did not fit well with his principles: it is possible, though, that certain apparently contradicting factors within welfare-state capitalist societies, representing both just and un-just aspects of them, are complementary, and much more strictly correlated than one might think; the freedom of someone to express himself can, for example, very well cause his freedom to provide more wealth to society as a whole and thus benefitting more from his abilities than someone else.

Section 3: Realizing Property-Owning Democracy

Since I would define as unjust both the limitations of freedoms of speech and economic agency and the reduction of democratic multi-party pluralism, all typical features of authoritarian socialist regimes, and the existence of systems in which unregulated economic agency allows for concentration of massive amounts of wealth in fewer and fewer hands and does not adequately intervene to reduce inequalities, the proposal of a system that reflects property-owning democracy's characteristics is a very tempting idea from a theoretical standpoint (Rawls did not, as I have already specified, focus on the practical aspects of system-building), although there may be characteristics that could make its concrete implementation and maintenance difficult: for example, since a fully realized liberal democracy is a pre-requisite for property-owning democracy, and liberal democracy resides in granting citizens the ability to decide for themselves through voting, nothing would, in theory, prevent them from modifying fundamental aspects of such system, making its substance void, or replacing it altogether; even if it goes against the interests of the majority of voters, it is not impossible for citizens not to realize it or believe it and agreeing with a decision of such kind.

It also comes to mind how property-owning democracy (along with liberal socialism), was never implemented in an existing State at any point in time, and as such the question of how a system like this could be implemented remains open: through gradual reforms? By some kind of sudden process? Even deriving a legal framework from the theoretical conception of property-owning democracy would be a task: the branches of government idealized by Rawls have been mentioned throughout this thesis, but it never was his intention to bring forward a set of instruction to follow in order to initiate a process that could transform a society into a property-owning democracy.

Another, final element, one could argue, would reside in some defining characteristics that have emerged over the course of the history of humankind: that is, the struggle between groups of interest, or even highly ambitious individuals, to impose themselves and assert their role, in a certain sense attempting to create inequalities between them and others: it would be unclear how much any incentives to cooperation, just social system or egalitarian culture would contain or even invert this ever-lasting human trend to change the rules of the game in one's favour.

In conclusion, Rawls' own interpretation and modelling of the term "property-owning democracy" represents the idea of a society that could put together a democratic systems in which both the greatest possible amount of freedom and the greatest possible amount of equality can coexist, taking into account the traditionally liberal emphasis on cooperation and institutions and the socialist call for equality, answering through diffuse distribution of resources and redistributive means rather than collective ownership of the means of production.

Whether or not feasible in terms of implementation, maintenance (it is honestly not to me to able to determine it), it can be argued that the solution of property-owning democracy tries its best to answer to the right questions, and that possible alternatives in terms of social systems, or even those that already exist, ought to be created or upgrade themselves while keeping in mind, before all things, the issues of freedom and equality.

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