



# **Libertarianism at Twin Harvard**

Capitalism

University of Virginia

Matthias Brinkmann

# Boston, Mount Auburn Cemetery



# Contents

---

1. Rawls's argument for the difference principle
2. Twin Rawls
3. Twin Nozick

# Political philosophy and decision theory



- Central idea: learn from decision theory
- Imagine you have the choice between two options (A and B). Each of them gives you one of three outcomes (O1, O2, O3), but you do not know what the probabilities are. Which should you choose?

	O1	O2	O3
A	5	10	25
B	8	10	12

- One plausible answer: maximin (maximise the minimum)—i.e., choose B!

# Political philosophy and decision theory

Rawls does not claim that maximin is always the best method for decision under uncertainty. (Binmore: “Only a paranoiac would find maximin attractive in general”)

But Rawls thinks maximin is the best rule if **three conditions** are fulfilled (TOJ §26, p. 134):

1. **uncertainty**: “knowledge of likelihoods is impossible, or at best extremely insecure”
2. **strongly diminishing returns**: “the person [choosing] cares very little, if anything, for what [they] might gain above the minimum stipend that [they] can be sure of by following the maximin rule”
3. **unacceptable risks**: “the rejected alternatives have outcomes that one can hardly accept”

# Harsanyi's argument

- What does standard decision-theory say? Simple: maximise expected utility. If options  $O_1, O_2, \dots, O_n$  give utility  $u_i$  and have probability  $p_i$ , then maximise  $\sum_i p_i u_i$
- Under the veil of ignorance, we have no reason to assume that any outcome is more likely than any other—so we should assume equal probabilities to all options (equaprobability assumption)
- Assuming risk-neutrality, we should thus maximise  $\frac{1}{n} \sum_i u_i$ .
- But this is just akin to (average) utilitarianism! That is, choose the distribution with the highest average utility.

# Contents

---

1. Rawls's argument for the difference principle
2. **Twin Rawls**
3. Twin Nozick

# Lomasky: “Three Libertarian Motifs”

- The priority of liberty
  - ❑ Rawls assigns primacy to liberty. But why are extensive economic liberties (beyond “personal property” not amongst those?
  - ❑ **Tomasi**: Rawls engages in economic exceptionalism. Being economically free is also part of realising our Rawlsian “capacity to formulate and pursue conceptions of the good”
- Choice between the veil of ignorance
  - ❑ While people do not know their identity, they know general social-scientific facts
  - ❑ Amongst those facts is that expansive, powerful states become captured by powerful sectional interests, and that free markets work best at promoting welfare
- The strains of commitment

# Questions

---

1. What are the strains of commitment (in Rawls)?
2. How does Lomasky think the strains of commitment actually support choosing capitalism in the original position?
3. What could/should Rawls respond?

# The strains of commitment

- Rawls defines a **well-ordered society** as such
  1. [**General affirmation**] Everyone willingly accepts and affirms the same principles of justice;
  2. [**Successful realization**] These principles are successfully realized in basic social institutions, and are generally complied with by citizens;
  3. [**Universal motivation**] Citizens are morally motivated to comply by their sense of justice – they want to do what justice requires of them
- People behind the veil of ignorance choose principles for a well-ordered society
  - ❑ Thus: whichever principles they choose, it must be **possible** for those to form the foundations of a well-ordered society (Focus is on possibility, not on what is **likely!**)
  - ❑ People have psychological limits that make it impossible for some principles to form the basis of a well-ordered example (Rawls: utilitarianism!)
  - ❑ “Strains of commitment” can reasonably be interpreted as a label for these psychological limits

# The strains of commitment

- Lomasky: Rawls gives a plausible argument that the difference principle will not strain the least well-off; but: it will impose significant burdens on the better-off
  - “will only moral saints and heroes be able to abide by the difference principle?” (p. 186)
- A strongly redistributive system like Rawls’s relies on us entering quite demanding bonds—to “share our fate”. But such bonds are normally limited to family, friends, etc. (p. 186-7)
- Rawls rejects strong principles of redistribution between countries because it would link them together too much (p. 189)—but why not then think the same for the domestic realm?

Q1. Does this debate not rely on “armchair psychology”?

Q2. If we are debating the nature of the ideal society, why presume that moral motivation is like it is now?

# Contents

---

1. Rawls's argument for the difference principle
2. Twin Rawls
3. **Twin Nozick**

# Twin Nozick

- Some distribution of holdings is just if the principle of acquisition and the principle of transfer have been perfectly complied with.
- But: we come nowhere close to perfect compliance!
- One-off transfer to re-create just starting position as a solution?
  - ❑ Epistemic problems (how can we know? how far back should we go? etc.)
  - ❑ “Liberty upsets justice”: More injustice will happen constantly, making distributions of holdings unjust
- Q. What principles should a Nozickian libertarian accept for a world of imperfect compliance?

# Thursday

- Required text for Thursday: Rawls, **Justice as Fairness**, §41-42, 45-46, 48
  - ❑ Additional: Meade, *Efficiency, Equality, and the Ownership of Property*
  - ❑ Additional: Miller, “Market Socialism”
  - ❑ Additional: Quish, “John Rawls, Socialist?”
- Five types of social system that Rawls considers:
  - ❑ Laissez-faire capitalism
  - ❑ Welfare-state capitalism
  - ❑ [State socialism with a command economy]
  - ❑ Property-owning democracy
  - ❑ Liberal (democratic) socialism/market socialism
- After discussing Rawls, you will split up into four groups, each arguing why Rawlsians should accept one of these



# Summary

- ❖ Lomasky challenges standard perceptions of Rawls and Nozick through imagining “Twin Rawls” and “Twin Nozick”
- ❖ Rawls’s argument for the difference principle relies partially on an analogy with choice under uncertainty
- ❖ Rawls believes that principles must be chosen for a well-ordered society, which is subject to the limits of moral psychology (the strains of commitment)
- ❖ Lomasky: capitalism would better respect the strains of commitment