

# In Defense of Limitarianism

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An argument in favor of limiting excessive accumulation of wealth based on democratic equality.

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## Abstract

*This thesis will present an argument in favor of limitarianism based on the value of democratic equality. The distributive doctrine states that excessive wealth accumulation is morally objectionable. I will argue that having too much wealth is harmful to equal political liberties in democratic societies because it gives the wealthiest more political power than other citizens. This argument is valid even if we do not redistribute excessive wealth, and therefore it supports limitarian policies that are agnostic about wealth distribution. Furthermore, this thesis will refute two major objections against limitarianism: the leveling down objection and the entitlement objection. Using both normative and empirical arguments I will show that these objections fail to discredit a limitarian doctrine. Moreover, I will argue that limitarianism is able both to defend what we value in personal wealth and limit the harmful effects of excessive wealth accumulation.*

Keywords: limitarianism, democratic equality, distributive justice, leveling down objection, libertarianism

## Introduction

On May 4, 2016, John Kasich, the last remaining rival of Donald Trump for the Republican nomination in the 2016 US presidential election, announced that he would quit the race. Ted Cruz, Trump's other rival, left the race the day before. With all other candidates having left the race, this makes Donald Trump the designated Republican nominee for the presidential election.<sup>1</sup> Donald Trump was in many ways different from the other candidates; one of these ways was in his personal wealth, estimated by Forbes at \$4.5 billion. Even though Trump's wealth dwarfs that of the other candidates, wealthy candidates are not uncommon. Of the top twenty Republican and Democratic contenders only three are not millionaires. Furthermore, the Democratic frontrunner, Hillary Clinton, sits in a comfortable third place with an estimated wealth of \$45 million.<sup>2</sup> Even though the wealth of these candidates is probably not the most important explanation for their success, their wealth likely plays a large part in it.

Among other news, in spring 2016 the Panama Papers were published by the *Süddeutsche Zeitung* in collaboration with the International Consortium of Investigative Journalists and other teams of journalists from different media organizations around the world. The Panama Papers are the biggest document leak to date and provide information about the Panamanian law firm Mossack Fonseca. This firm sells anonymous offshore shell companies around the world that enable their owners to cover up their business dealings. Even though owning an offshore company is not illegal, the Panama Papers show that concealing the identities of the true company owners is the primary aim of most of Mossack Fonseca's clients. This anonymity can enable the owners of shell companies to dodge taxes and launder money. Moreover, many politicians, ministers and heads of states seem to be the owners of such shell

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<sup>1</sup> Bbc <http://www.bbc.com/news/world-us-canada-36201042> ; The Economist: <http://www.economist.com/blogs/graphicdetail/2016/05/last-man-standing>

<sup>2</sup> Forbes: <http://www.forbes.com/sites/afontevacqua/2015/09/29/forbes-2016-presidential-candidate-net-worth-list/#33bd34bf435d> ; The economist: <http://www.economist.com/blogs/democracyinamerica/2016/05/still-berning>

companies.<sup>3</sup> The first political victim of the leak was the Icelandic prime minister, Sigmundur Davíð Gunnlaugsson, who was accused of attempting to hide millions in offshore companies and had to resign under public pressure.<sup>4</sup>

Another interesting case in which we can see how money distorts the equality of citizens is the American bail system. Within this system suspects have to pay a certain sum of money to the court to await their trial out of jail. This is done with the rationale that the suspects must come to court in order to get their bail money back. However, individuals that do not have the money to post bail are kept in jail, while those who have enough money do not necessarily care about getting their bail back. For example, millionaire Robert Durst paid his bail but never came to trial, preferring to lose \$300,000 than be indicted for murder.<sup>5</sup> But for those who do not have the money to pay, being arrested for a misdemeanor offense, like smoking marijuana, can result in going to jail.<sup>6</sup>

What all these cases have in common is that, although we live in a democracy in which every citizen should be treated equally under the law and have equal political power, money greatly affects political power and individuals' chances in life. These examples also show that individuals can sometimes use wealth in order to obtain advantages that are not accessible to less wealthy citizens. There are already many laws that aim to limit the political influence of money and wealth, but perhaps this is not enough. In order to ensure that citizens in a democracy have equal political rights it might be necessary to limit the private wealth of the richest individuals in our society. In other words, we could set a threshold that prevents individuals from amassing great amounts of money and wealth in order to separate wealth inequality from political rights.

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<sup>3</sup> Panama Papers Süddeutsche Zeitung:

<http://panamapapers.sueddeutsche.de/articles/56febff0a1bb8d3c3495adf4/>

<sup>4</sup> The Guardian: <http://www.theguardian.com/world/2016/apr/05/iceland-prime-minister-resigns-over-panama-papers-revelations>

<sup>5</sup> Herald Journal:

<https://news.google.com/newspapers?nid=1876&dat=20011201&id=TUfAAAAIBAJ&sjid=FdAEAAAAIBAJ&pg=5948,20163&hl=nl>

<sup>6</sup> The Guardian: <http://www.theguardian.com/commentisfree/2013/feb/14/america-bail-system-law-rich-poor>

## Limitarianism

In this thesis I will present an argument in defense of limitarianism based on the democratic value of political equality. Limitarianism is a view of distributive justice that states that it is not permissible to have more resources than a certain threshold amount. It is a doctrine of distributive justice because it yields a rule of how some metric, whose distribution matters for justice, should be distributed.<sup>7</sup> Limitarianism was first presented in 2016 by Ingrid Robeyns in her article *Having too much*. Her article addresses a non-intrinsic kind of limitarianism that focuses on the distribution of wealth and riches.<sup>8</sup> Intrinsic limitarian doctrine argues that having too much of some desirable good and exceeding a certain threshold is bad in itself. The non-intrinsic version does not claim that having too much wealth is intrinsically wrong but that it is objectionable for reasons that refer to some other value. Furthermore, the focus on wealth means that we will not discuss questions of climate justice; we will not address environmental problems linked to wealth accumulation but rather social problems that arise from having too much.<sup>9</sup>

Another important feature of the form of limitarianism this thesis defends is that it actually is a partial distributive doctrine because it is indifferent to what happens below the wealth threshold. Even though some versions of limitarianism could entail views on how wealth must be redistributed below the wealth threshold, this is not the kind of limitarianism I will defend.<sup>10</sup> Other versions of limitarianism may not be agnostic about how wealth is redistributed below the threshold, thus creating a more egalitarian or sufficientarian claim. In other words, in this type of limitarianism, the problem does not lie in the fact that some people have too much wealth but that others have too little. In contrast, the kind of limitarianism I will defend can be compared to a limitarianism of greenhouse gases. In this case, the good that is limited is not wealth but greenhouse gases. This limitarianism only limits the production of greenhouse gases above a threshold without necessarily caring about enhancing production under the threshold.

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<sup>7</sup> Robeyns, 2016: 2.

<sup>8</sup> I will use these terms interchangeably, but under wealth and riches I include not only things like money but also real estate, government bonds and every other form of nonhuman assets that can be owned and exchanged on some market (Piketty, 2013: 82-83).

<sup>9</sup> Robeyns, 2016: 4-6.

<sup>10</sup> Robeyns, 2016: 2.

In other words, it is valuable to restrict the production of greenhouse gases above a certain threshold even though this does not necessarily mean that the ones below the threshold can pollute more.<sup>11</sup>

This is precisely the aim of this thesis, to show why it would be valuable to limit wealth accumulation without necessarily improving the wealth of those under the threshold. The reason why we must limit wealth is therefore only linked to the harmful aspect of having too much instead of the beneficial aspect of redistributing wealth. By presenting an argument that is agnostic about how wealth is redistributed, my aim is to defend the value of a limitarian doctrine in and of itself. I will thus emphasize on the harm that the accumulation of wealth beyond a certain threshold can cause irrespective of the more efficient way this wealth could be used. However, this is still a kind of non-intrinsic limitarianism, because the reason that wealth accumulation is harmful is not intrinsic but instrumental. As I will argue, extreme wealth accumulation is harmful because it affects political equality. Therefore, limiting wealth accumulation is a means for preserving political equality, rather than a goal in itself.

The argument I will present in this article is a further developed form of the democratic argument presented by Ingrid Robeyns, which stipulates that great inequalities of wealth and income undermine the value of democracy and the ideal of political equality.<sup>12</sup> This defense of limitarianism is indifferent to the way in which wealth is redistributed. The reason is that if the wealth of the richest, which I will argue is used to increase their political power, is limited, then the values of political equality will be ensured even if there is no redistribution. In other words, even if we burned the money of the wealthiest instead of redistributing it to the poor, the value we hold dear, political equality, would be secured. This form of limitarianism is agnostic to redistribution, even though it is not incompatible with redistribution; this doctrine is not committed to redistributing wealth. The aim of the limitarianism I present is thus to ensure that the wealthiest cannot use their wealth in order to impose the way in which the benefits and burdens of social cooperation are distributed.<sup>13</sup>

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<sup>11</sup> Robeyns, 2016: 4-5.

<sup>12</sup> Robeyns, 2016: 6

<sup>13</sup> Rawls, 2009: 30-31.

Such an argument based on political equality could of course be confronted by practical counterarguments against limitarianism, like whether our laws permit such policies, and supported by other distributive principles. But even if the state of affairs in our current world makes it practically impossible to create a limitarian system, we still have reasons to value limitarianism. What I will do in this paper is address moral objections to limitarianism. Therefore, even though it is perhaps impossible to implement a limitarian doctrine in practice, we still have reason to value it and take it seriously. Furthermore, I will show why limitarianism is valuable even though it could infringe upon values other than political equality. Some critics, for example, could value political equality, but not at the cost of infringing upon private property rights or diminishing the quality of life of citizens in a limitarian state. If those critics are correct, this would refute the argument that limitarianism is valuable, since it could be argued that a limitarian doctrine does more harm than good.

The two moral objections I will discuss are the leveling down objection and what I call the entitlement objection. The leveling down objection states that it is absurd to pursue equality if it entails making everyone, even the less well off, worse off.<sup>14</sup> Because limitarianism is agnostic on whether wealth is redistributed, it creates a more equal society without ensuring that the lesser-off benefit financially from it. I will argue that this objection cannot succeed against limitarianism because wealth is not the same as welfare, and that limitarianism will not require leveling down welfare, only wealth. Wealth loses its value, and its ability to promote welfare, when it is placed outside of the social context, so in that case we should not be concerned with leveling down.<sup>15</sup> But if we place wealth within its social context we must take into account that it obtains its value from a certain enforcement of an exclusion of use. In other words, wealth becomes valuable for an individual when his claim to it is recognized by others and he can exclude others from using his wealth. Thus the social aspect of wealth can make it valuable for an individual while also creating the potentiality of violence and exclusion. I will argue that this exclusion is not problematic provided that there is some kind of reciprocity between citizens, so that this idea of exclusion benefits both the better- and the lesser-off.<sup>16</sup> But

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<sup>14</sup> Crisp, 2003: 745-748; O'Neil, 2008: 140-141.

<sup>15</sup> Graeber, 2014: 73-75.

<sup>16</sup> Ypi, 2011: 100-102.

when economic inequality is augmented, the better-off can exclude the worse off by using violence instead of having to legitimate their wealth.<sup>17</sup> Thus, at some point economic inequality becomes problematic because the less well-off lose control over the enforcement of wealth entitlements and therefore are at the mercy of the richest in society. For this reason, leveling down wealth is a necessary condition to ensure greater welfare in society. Therefore, the leveling down objection does not affect limitarianism in the case of welfare, since limitarianism is not committed to level down something that is in no way harmful and is only beneficial. But the unequal distribution of wealth, the good that is distributed in order to promote welfare, must be limited and leveled down because it is socially harmful.

The second objection, the entitlement objection, revolves around the question of whether it is morally permissible to limit individual rights for the sake of social benefits. Entitlement theories base the legitimacy of a political system on its ability to protect individual private property. Because limitarianism limits the private property of certain individuals, it would, according to entitlement theorists, be illegitimate. However, I will show that individual private property is not a valid<sup>18</sup> concept to evaluate the legitimacy of a coercive political system, since it is itself created by the kind of state coercion it aims to justify.<sup>19</sup> I will argue that private property cannot be used as an intrinsically important absolute natural right but is valuable because it promotes cooperation and is linked to a sense of fairness.<sup>20</sup> My aim will be to show that limitarianism can protect the valuable aspects of private property but can also control it when it becomes socially harmful.

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<sup>17</sup> Winters, 2015: 4-5.

<sup>18</sup> Private property lacks validity in the empirical scientific sense of the term “validity”, namely, private property is an indicator that fails to answer the question of whether a state is legitimate. So while it could be a reliable indicator, yielding consistent results (taxation is bad and always bad), it is not an accurate method to determine whether a state lacks legitimacy. It is still possible that some states that violate private property are illegitimate, but this does not necessarily mean that they are illegitimate because they violate private property right (Bryman, 2012: 46-48).

<sup>19</sup> Rossi and Argenton, 2016 forthcoming: 1-2.

<sup>20</sup> Bertram, 2013: 423-424.

## Relevance and justifications

There are several reasons why I focus on the democratic argument instead of, for example, the argument of urgent need, also presented by Robeyns.<sup>21</sup> First, I believe, and I aim to show in this thesis, that the democratic argument supports limitarianism irrespective of possible redistribution, while I am not convinced that the argument of urgent need succeeds in a similar way. Of course it could be interesting and useful to develop this argument or investigate other possible arguments in favor of limitarianism to assess how they fail or succeed in defending a limitarian doctrine. However, because of the limited space I have for this thesis, I must focus on one argument. A second reason why I only focus on one argument is that the democratic argument is enough to defend the importance of a distinctive limitarian doctrine; it is an issue in need of distinctive limitarian practices to be tackled.

Now of course arises the question of the relevance of my thesis—in other words, why should anyone care about this topic? Scientifically, this thesis participates in and sheds light on an overlooked part of distributive justice. Several theories and distributive doctrines have already focused on questions affecting the worst-off, but few of them target the wealthiest directly. Meanwhile, in the empirical social sciences, several recent publications show how a skewed wealth distribution in favor of the richest can be harmful. One of the most prominent works on the subject is the book published in 2013 by the French economist Thomas Piketty, *Capital in the Twenty-First Century*.<sup>22</sup> This research is thus scientifically relevant because it aims to develop an underexposed part of political theory: the upper tail of the wealth distribution.<sup>23</sup>

This focus on the wealthiest in our society also makes this research socially relevant because it responds to complaints and problems present in our current society. For several years the discontent in different societies around the world has been increasingly directed towards the wealth of the one percent most fortunate individuals. For example, protest groups like Occupy see themselves as the 99% of the population, thereby representing not only the

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<sup>21</sup> Robeyns, 2016: 10-13.

<sup>22</sup> Piketty primarily shows the size of wealth inequality. His book focuses more on the growth of wealth inequality and the reasons for this rather than showing the harmful effects. But he also mentions the negative impact of inequalities based on inherited capital on our democratic system, and he shows the false empirical basis for our meritocratic idea of society (Piketty, 2013: 671-675, 701-714).

<sup>23</sup> Robeyns, 2016: 3

interests of the worst-off but those of the whole world population, except the (in their view) harmful wealthiest one percent.<sup>24</sup> Moreover, the unforeseen successes of Bernie Sanders in the American primaries show that there is discontent towards the wealthiest that is present in different layers of the American population.<sup>25</sup> Of course critiques aimed at the richest individuals do not exclude, and almost always accompany, demands for greater redistribution. Nonetheless, the focus of limitarianism is different. Because of its focus on the wealthiest, limitarianism provides a theoretical basis for the discontent present in society. Furthermore, by engaging in a scientific debate on limitarianism, this thesis participates in the first step towards the implementation of limitarian policies, which would have important social effects. For these reasons, this thesis is relevant for both current societal and scientific debates.

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<sup>24</sup>Internet site occupy wall street: <http://occupywallst.org/about/> ; Occupy wall street, New York city general assembly: <http://www.nycga.net/resources/documents/principles-of-solidarity/>

<sup>25</sup> The Guardian, 10 reasons why voters are turning to Bernie Sanders: <http://www.theguardian.com/us-news/2016/feb/12/bernie-sanders-voters-supporters-10-reasons-why-us-election-2016>

## Chapter 1: The democratic argument for limitarianism

Even though there are several forms of limitarianism, this thesis only defends one specific kind, namely a non-intrinsic limitarianism that is instrumental in promoting the value of political equality. This kind of limitarianism aims to limit the excessive accumulation of wealth that transforms into political influence and creates political inequality. Therefore, this limitarianism is only committed to restricting wealth accumulation, rather than being committed to redistribution. In the rest of this chapter I describe the democratic argument in favor of limitarianism. I will explain how the extreme accumulation of wealth influences political equality, and I will then show why this political bias in favor of the rich is morally objectionable. My argument will take into account the possibility that the rich use their political power in order to promote the interests of everyone. I will give several arguments. First, I will argue that because there are different conceptions of the good, policies aimed at benefitting the interests of everyone will not be seen as doing such by the rest of the population. This creates an unstable society where the values of different groups are not protected equally. Secondly, I will discuss the unavoidable tradeoff between interests, meaning that the wealthiest cannot promote both their interests and those of the rest of the population. Finally, I will show that justification based on wealth is an untrustworthy basis from which to assign political power, since political power enables the accumulation of wealth. In the last part of this chapter I will discuss why limitarianism provides a solution to this problem of economic inequality influencing access to politics. I will argue that limitarianism indeed presents an answer to this problem, while other solutions would fail.

### Democratic argument

The democratic argument states that great inequalities in income and wealth undermine the value of democracy and the ideal of political equality in particular. In her article *Having too much*, Ingrid Robeyns uses this argument to defend a limitarian doctrine. Following an article by Thomas Christiano, *Money in politics*, she describes four mechanisms by which money can influence politics. The first relates to the process of law and policymaking, the second to agenda setting, the third to influencing opinion and preferences, and the fourth to independent

economic constraints that wealth can place on successful policymaking. Besides describing these mechanisms, Christiano discusses the normative issues that arise for each mechanism.<sup>26</sup>

The first mechanism, *money for votes*, is about using money to ensure electoral gains for politicians in order to secure special treatments from them. Because campaigns are often costly, candidates need funding to be able to run. Wealthy individuals can then offer money to candidates in exchange for special treatment that entails support for public policy or legislation that benefits the interests of the donor. This is, according to Christiano, morally objectionable for several reasons. First, it is inefficient because money is invested in order to block policies aimed at promoting the common good. Therefore, money is not used to produce some goods and, more importantly, it gives a large amount of power and advantages to a small group that only pays a small fraction of the cost.<sup>27</sup>

Secondly, Christiano claims that this kind of exchange of money for votes is harmful to the deliberative process. Instead of being focused on making rational and reasonable policies, legislators must base their policy decisions on strategic considerations concerning how to advance the special interest of the groups that support them. Finally, this mechanism of money for votes is harmful because it replaces an intentionally and artificially created equality with an unintentionally created inequality. Because of the declining marginal utility of money, those with less money will generally be more tempted to sell their vote to the wealthiest in society. Even if the poorest have an advantage in retaining their equality and promoting their own interests, they are confronted with a collective action problem in which it is individually more advantageous to sell their vote, while collectively and in the long term it is disadvantageous. Moreover, for the rich, defense of wealth takes precedence over other political concerns. So while political disagreements for the poor can emerge from different issues and dissolve cooperation, the rich can organize themselves around one political issue: the defense of their wealth.<sup>28</sup>

A second mechanism by which money has influence in the decision-making process is by functioning as a gatekeeper. The candidates who are able to generate a large amount of money,

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<sup>26</sup> Robeyns, 2016: 6.

<sup>27</sup> Christiano, 2012: 242-244.

<sup>28</sup> Christiano, 2012: 242-244 ; Winters, 2015: 5-6.

due to their personal wealth or by having wealthy and generous donors, are more likely to run viable campaigns. This affects political equality in two ways. First, it makes it easier for wealthy individuals to be elected than poor individuals. Secondly, even without some quid pro quo arrangement, which I discussed above, wealthy donors will probably support like-minded candidates who will defend the interests of the well-off. This creates an inequality in agenda setting: the wealthier populations set the agenda because like-minded candidates have a higher probability of being, and ability to be, elected. Furthermore, it affects the deliberative process and its efficiency in a similar way as the money-for-votes mechanism.<sup>29</sup>

The third mechanism entails a process in which money is used as a means for influencing opinions. Again, because of the declining marginal utility of money, wealthier individuals can afford to spend more money on the creation of opinions. This happens, for example, through the transmission and broadcast of ideas to the public. Moreover, money can be used to finance the activities of lobby groups that influence legislative opinion.<sup>30</sup> Finally, money can influence politics as an independent political power. In this case it does not operate directly on the decision-making process but as an independent constraint. Big corporations and wealthy individuals can block some socially beneficial policies by threatening to take away other valuable goods, like jobs and investments.<sup>31</sup>

That money *can* affect the policy making process does not necessarily mean that it *does* influence policy. In theory, it could be possible, though improbable, that wealthy individuals aim to influence policy making as little possible, by choosing not to donate to candidates or influence politics in other ways. Regardless of how improbable this is, there is a need for empirical research to show whether wealth indeed influences politics, and more importantly, to what extent it does so. Empirical research on this effect is, sadly, very difficult for several reasons, first of all because, as we discussed above, wealth influences politics in many different ways. Secondly, the influence of wealth through, for example, counteractive lobbying does not yield tangible results and therefore is difficult to document empirically. This kind of lobbying aims to counter the efforts of other lobby groups and can be influential in the sense that it helps

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<sup>29</sup> Christiano, 2012: 244-246.

<sup>30</sup> Christiano, 2012: 247-248;

<sup>31</sup> Christiano, 2012: 250-251.

avoid an even worse outcome. So the fact that a policy is adopted that goes against the interests of the well-off does not mean that there was no influence in the decision-making process, since without interference the adopted policy could have been even more harmful for the wealthy. Finally, as previously mentioned, influence can arise in different stages of the policy process, like in the agenda-setting phase or even through influencing public opinion. This makes it difficult to separate whether some policy represents the opinions of the people or those of the wealthiest.<sup>32</sup>

A recent study published by Martin Gilens and Benjamin Page aims to overcome some of these problems. In their paper *Testing Theories of American Politics: Elites, Interest Groups, and Average Citizens*, they investigate the correlation between whether a policy is adopted and whether it promotes the interests of the economic elite or average citizens. The authors used whether a policy change was adopted by the US government within four years as the dependent variable. They investigated 1,779 different policies that were not constitutional amendments (which involve a different process), that involved a clear, actual presence or absence of policy change, and that were seen as being of relatively high salience. The independent variables were based on these cases. Respondents were asked about their income and whether they felt the policy change was 'strongly favorable', 'somewhat favorable', 'somewhat unfavorable' or 'strongly unfavorable'. The answers of the respondents corresponding to the fiftieth income percentile formed the first independent variable, the preference of average citizens. The second independent variable, the preference of the affluent, was based on the ninetieth income percentile. The authors admit that these respondents are not really the most affluent Americans, as they are not the top one percent. However, the preferences of the top two percent already seem to correlate much more with the preferences of the top 10 percent than with those of the average survey respondent. Therefore, defining the affluent as the top 10 percent, does only lead to an underestimation of the impact of economic elites on policy making. For a third independent variable Gilens and Page used a process of weighting and balancing to represent the positions of the most important interest groups towards the policies. They later added a fourth variable by splitting these interest group preferences into business

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<sup>32</sup> Dür, 2008: 561-562.

interest groups, which represent the wealthiest citizens, and mass interest groups, which commonly represent the interests of average citizens.<sup>33</sup>

Because policy making is not always a zero-sum game, and some policies benefiting the economic elite can also benefit the average citizen, the researchers investigated the correlations among the independent variables. They showed a strong statistically significant relationship between the preferences of the economic elite and average citizens.<sup>34</sup> Unfortunately, this method fails to take into account the possible influence that the wealthiest could have on the opinions and preferences of average citizens. However, this only shows that the influence of the political elite measured by Gilens and Page is an underestimation, so if anything the influence of the economic elite should be higher than what this research can show.<sup>35</sup>

In order to make sure that the policy outcome did not only correlate with the preferences of the average citizens because it also correlated with those of the economic elite, the researchers used statistical methods to control the preferences of the economic elite. In other words, they investigated what the effect was of the preferences of average citizens on policy outcomes when they were not the same as those of the economic elite. In such a situation, the estimated impact of the average citizen's preferences drops to a non-significant, near-zero level. This means that the average citizen's preference has so little impact that there is a good chance the small impact measured comes simply from chance. On the other hand, the impact of the economic elite is highly significant, meaning that it is extremely unlikely that the preferences of the elite do not influence the way policies are chosen. Moreover, while the mass-based interest groups seem to have some influence on the policies that are adopted, it is less than that of business interest groups' preferences, which in turn are less than the elite's preferences.<sup>36</sup>

So what do these results show? They do not show how economic wealth influences policy outcomes. The study only shows that the preferences of the wealthy are highly correlated with policy outcomes in such a way that it is almost impossible to be caused by chance. Thus, there is a link between wealth and policy outcome, but we do not know precisely how it comes

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<sup>33</sup> Gilens and Page, 2014: 568-569.

<sup>34</sup> Gilens and Page, 2014: 570-571

<sup>35</sup> Christiano, 2008: 247-248.

<sup>36</sup> Gilens and Page, 2014: 571-572, 575-577.

about. Christiano, on the other hand, provides explanations of how wealth can influence policies without showing whether it in fact does influence policies. We know that the correlation measured by Gilens and Page does not come through the mechanism of influencing opinions since they present no way of knowing how preferences came about. But this only shows that wealth has at least some significant influence on politics and could have even more influence. Furthermore, Gilens and Page do not show precisely through which mechanism, except that of influencing opinion, the wealthy are able to influence politics. Nevertheless, in combining Gilens and Page's study with that of Thomas Christiano we have several explanatory causal mechanisms that explain how wealth can influence politics, and we have a statistically significant correlation that shows that it is extremely unlikely that the preferences of the economic elite are not better represented in policy change than the preferences of average citizens when both interests conflict. We need further research to know precisely through which mechanism wealth influences politics the most, but for this thesis it is only relevant to note that wealthier people have more influence over politics than average citizens.

### Why is political inequality a problem?

According to Christiano, the most prominent problem with this influence of wealth in politics and the inequality of opportunities for political influence is that there are likely to be significant conflicts of interest between those who have less wealth and those who have more wealth.<sup>37</sup> Indeed, like Gilens and Page showed, the preferences of the well-off are different from those of average citizens but are much better represented in US policies.<sup>38</sup> However, it could be possible – perhaps improbable, but still possible – that the wealthiest actually do protect the interests of the average citizen, but that the average citizen is unaware of it. This could be perhaps because the average citizen does not have all the information or time to delve into political questions, or for some other reason. If this is the case then Christiano's critique of political inequality would fail. Therefore, we need another explanation for why it is objectionable that the wealthiest have more political power, one that is not a consequentialist explanation like protecting the interests of the less well-off.

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<sup>37</sup> Christiano, 2012: 12-13.

<sup>38</sup> Gilens and Page, 2014: 575-577.

First, politics is not merely about quantifiable interests; it is also about ethical judgments that cannot be solved from an impersonal scientific point of view.<sup>39</sup> The reason for this is that human beings have different conceptions of what a good and rational life plan is. According to Rawls, a rational life plan and conceptions of the good are a group of final goals in life that are considered important and make life worth living. Achieving these goals creates and produces happiness for the individual that has these conceptions of the good. Humans have the ability to formulate these conceptions based on different comprehensive doctrines, like religion or moral values, and can reformulate these goals at different moments to form their rational life plan at a given point. This life plan constitutes the form of life that is, all things considered, most desirable in the view of a certain individual.<sup>40</sup> This means that what a specific individual considers a valuable and a rational goal does not need to be so for someone else. Equal political liberties and the other basic liberties are tools to ensure that individuals' unique conceptions of the good are respected and protected, even from those who do not share those conceptions.<sup>41</sup> Because different individuals and different groups in society have different reasonable comprehensive doctrines, we cannot reasonably use the coercive system of the state to impose policies that can reasonably be rejected by individuals with other conceptions of the good. In doing so we would create a society with a *modus vivendi*, a society that is stable only because it is convenient to support the status quo. When a political system has a systematic inequality of opportunity to influence the political process, even though it supposedly acts in the interest of everyone, the system fails to appeal to the deep moral conceptions of the rest of the population and their abilities to express them, making such a system highly unstable.<sup>42</sup>

Furthermore, there is a necessary tradeoff around certain issues between the interests of the elite and those of average citizens. This means that even if the wealthiest individuals in society were angel-like creatures that constantly used their unequal opportunity to influence politics in order to protect the interests of average citizens, who do not know what is for their own good, these angels would not be able to promote their own interests simultaneously.<sup>43</sup> This

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<sup>39</sup> Dahl, 2000: 71-73.

<sup>40</sup> Rawls, 2008: 39-40; Rawls, 2009: 123, 449-451.

<sup>41</sup> Rawls, 2008: 158-159.

<sup>42</sup> Rawls, 1997: 771; Rawls, 2008: 260-263, 268-274.

<sup>43</sup> Dahl, 2000: 72.

is a slightly different critique from that of Christiano, since it does not exclude the possibility that the wealthiest promote the interests of the average citizen.<sup>44</sup> Nevertheless, this intrinsic trade-off between interests makes it impossible for those with more political power to always promote their interests and the interests of others at the same time. Without equal political liberties, only a society of purely altruistic angels would be able to fully take into account the interests of others and place them above their own.

Finally, there is also an epistemic problem with the claim that the rich promote the interests of the less well-off even though the rest of the population believes it is against their own interests. The justification that the wealthy best know what is in the interests of everyone is an untrustworthy argument for defending their unique access to political power. Because the political system distributes wealth among citizens and enforces ownership, the justification of this distribution cannot justifiably arise from wealth inequality itself. To justify inequality in such a way would amount to saying that the wealthy are rich because they have more political influence and they justifiably have more political influence because they are rich. In this argument, wealth is a false justification of political inequality, because it is produced by what it aims to justify. This argument goes against what Bernard Williams calls the critical theory principle, which states that the acceptance of a justification does not count if the acceptance itself is produced by the coercive power that is supposedly being justified.<sup>45</sup> Thus, acceptance of the unequal political power of the rich cannot be based on the idea that because they are rich they promote the interests of the others, because being rich is a product of unequal political power. The problem here is that there is no sensible explanation for the power of the wealthy, and that the burden of proof lies with them if they want to legitimize their unequal access to political power.<sup>46</sup> Furthermore, political equality ensures that the distribution of wealth and political power is not rigged from the beginning. In a system of equal opportunity to influence the political process, the outcome of the process is not a result of exclusionary measures at the beginning of the process, and thus the outcome is not a product of rules but of reflection.<sup>47</sup>

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<sup>44</sup> Christiano, 2008: 251-252.

<sup>45</sup> Williams, 2008: 6.

<sup>46</sup> Williams, 2008: 5-6; Rossi and Argenton, 2016 forthcoming: 14-15.

<sup>47</sup> It is of course still possible that the justifications that are used within the equally free political process are themselves a result of the way political power has historically been distributed. But by ensuring political equality

Therefore, it is important to value political equality because it leads to a more trustworthy legitimation of a political system.

### Is limitarianism a solution?

How can limitarianism be a solution for the problem of wealth in politics? Would it not be better to use other methods to limit the access of the wealthy to politics instead of limiting the total amount of wealth that someone is allowed to have? Christiano, for example, proposes other kind of policies, like instituting limits on the public financing of elections.<sup>48</sup> I will argue that there are several reasons why such solutions are not viable. First, they often do not fully solve the problem; secondly, some of these solutions are not only ineffective but also harmful; and finally, there is the paradox that complexity can best be resolved with simple policies.

The first pitfall is that policies, like those advocated by Christiano, are often ineffective in blocking the influence of money on politics. Even though implementing campaign legislation and allocating funds for anti-corruption policies could be desirable for a well-working democratic society, it does not provide a solution for the influence of wealth on politics. Wealthy people can still use different channels, like influencing public opinion or using their wealth as an independent political power, in order to influence politics. Moreover, wealth can also be used to obtain political power indirectly through social class.<sup>49</sup> Parents can influence their children's social class in two ways: directly, by offering them jobs and social capital, or indirectly, through education.<sup>50</sup> Wealthier individuals can not only afford more expensive private schools, but they can also provide the help necessary for their children to receive good grades. For example, parents can take away the need to work by financing their children's tuition fees, they can hire professional help, and they can provide good housing and a good study environment. All of this can provide significant support for children to get higher grades. Indirectly, education affects an individual's access to politics by providing knowledge. Good education familiarizes students with political terms and concepts, teaches political skills like writing and speech, and provides a social

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we at least know that the outcome of politics is not biased by the rules, so there is at least one less bias (Williams, 2008: 7).

<sup>48</sup> Christiano, 2008: 246-247.

<sup>49</sup> Robeyns, 2016: 9-10

<sup>50</sup> De Graaf and Luijkx, 1995: 32-35.

network that gives students opportunities to participate in political life.<sup>51</sup> Therefore, while campaign legislation could diminish the direct impact of wealth on politics, it does not tackle the indirect impact.

Secondly, some propositions to ban the access of the wealthy to politics have counterproductive effects. For example, according to Christiano, the method for doing so that is most independent of private funding is to allocate money based on votes gained in previous election cycles. While this would diminish the effect of money in politics, it would create a bias in favor of parties that have been successful in past elections, making it more difficult for new parties or candidates to break into the electoral competition.<sup>52</sup> Such proposals, instead of ensuring political equality, create a new form of inequality based on whether you belong to the political elite and a mainstream party or are a newcomer in the political process. In addition, a ban on political financing would make it more difficult for less wealthy individuals to amass a large amount of money from small donors, making it easier for already wealthy candidates to maintain a viable campaign.

Finally, the complex ways in which money can influence politics require a simple solution rather than complex policies that aim to fill the legislative cracks. The reason is that complex problems are often best solved by simple rules of thumb. This is so for several reasons. First, collecting all the relevant information on such a complex problem can be prohibitively costly and is limited by humans' bounded cognitive capacities. Secondly, having too much information gathered from the past may retard effective decision-making about the future, clogging up, as it were, the cognitive inbox. Third, in an uncertain environment in which statistical probabilities are unknown, complex statistical methods are no longer suitable for decision-making, since probabilistic weighting from the past may be different in the future. Finally, complex rules may cause people to focus too much on the precise rules and the small print at the expense of the bigger picture.<sup>53</sup> The ways in which money can influence politics are complex and dependent on an incalculable number of relevant factors. Moreover, we are confronted with uncertainty about which path towards political influence wealth could take in the future. For these reasons

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<sup>51</sup> Bovens and Wille, 2011: 43-47.

<sup>52</sup> Christiano, 2008: 246-247.

<sup>53</sup> Haldane, 2012: 1, 3-7, 19.

it would be vain to try to regulate every way in which economic inequality could contribute to political inequality.

Limitarianism provides a more simple and efficient way to stop the influence of money on politics, because it does not have to take into account all the different ways wealth can spill over into politics. Limitarianism can simply making it economically unviable to spend a large amount of money in politics. This is not only to be viewed as a simple practical problem of a world where not everyone obeys the law. In other words, this does not only apply to non-ideal theory but also to ideal theory.<sup>54</sup> The reason for this is that even in a world of full compliance, if rules are unable to predict and bare all possible ways in which wealth can influence politics, the wealthy could still comply with the law while using their wealth to gain more political power.<sup>55</sup>

For these reasons limitarian policies are more effective in ensuring that economic inequality does not result in political inequality. But would it not be preferable to eliminate economic inequalities entirely instead of imposing a wealth threshold? Wealth inequality, as I will discuss more extensively in the next chapter, does not necessarily transform into political inequality. There are two necessary conditions: first, the relative cost should not be too high, and second, investing in politics needs to yield some benefits.

The first condition has to do with the diminishing utility at the margin; the value of one unit of wealth or money diminishes with each extra unit that someone acquires. In other words, the more money you have, the less you need more money.<sup>56</sup> Thus it is much more burdensome for someone earning \$500 dollars a month to spend \$100 on political influence. This is not only

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<sup>54</sup> Rawls describes ideal theory as a theory about a society with full compliance with the principles of justice and that accepts the consequences. More precisely, this means that almost all citizens obey the law. On the other hand, non-ideal theory does not assume strict compliance with the law and takes into account possible cases of corruption and that there could sometimes be a need for civil disobedience (Rawls, 2008: 31-32, 99, 188-189). I differ slightly from the view of ideal and non-ideal theories as presented by Ingrid Robeyns, since I do not exclude the possibility of unjust distribution arising in ideal theory. Moreover, I disagree with the assessment of Nozick's entitlement theory and that it fails because it is too idealized. As I will argue later in this thesis, this theory does not (only) fail because of its highly idealized background but because its legitimation of the coercive apparatus of the state is itself a product of the coercive apparatus of the state (Robeyns, 2016: 2, 37 n3; Rossi and Argenton, 2016: 1-2).

<sup>55</sup> It could be argued that in ideal theory citizens would obey the principles of Rawls as they are, thus protecting political equality, even though the law would not fully prohibit the access of power to money. It could even be argued that in ideal theory humans are angels and do not even try to acquire more wealth at the cost of others. However, this debate goes beyond the aims of this thesis, and therefore I will merely assume my view of ideal and non-ideal theories.

<sup>56</sup> Robeyns, 2016: 6-7.

the case because it represents one fifth of that person's income but also because this income is used to fulfill some essential and basic need, like buying food. However, if someone earns \$100,000 a month, spending \$100 on politics is not only a smaller part of their income but is also a less essential part, since it does not need to be used to fulfill essential needs. Even though wealthier persons perhaps spend more on food in absolute terms, their increases in expenditure decline at some point, since one does not physically need more food when one gets richer.<sup>57</sup> This means that if there is some financial inequality between people but that it is not high enough to permit the wealthier person to spend a significant amount of money on non-essential good, like political influence, then this economic inequality is not necessarily objectionable from a democratic view.

The second condition has to do with the benefits of investing wealth in politics and the need to protect your wealth. Even if the utility of wealth diminishes at the margin, the total utility that the well-off can lose is much higher than what someone who has nothing can lose. To put it radically, the rich have everything to lose while the poor have nothing to lose. Therefore, the rich have a greater interest in protecting what they have and avoid having their wealth to be leveled down than poorer people. Furthermore, when inequality rises, the discontent of the poor rises as well,<sup>58</sup> making it more crucial for the rich to protect their wealth.<sup>59</sup> According to Jeffrey Winters, in order to sustain extreme material inequality and thus prevent the discontent poorest to redistribute the wealth of the richest, the wealthiest must use political power and the coercive apparatus of the state in order to guarantee property and wealth against most threats.<sup>60</sup> Therefore, as individuals become richer, not only do they have more means to spend on politics, but the need to acquire political power in order to protect their wealth is more stringent.

Critics could respond that having too little wealth also affects political equality. In other words, citizens living in extreme poverty must fight constantly for their survival and cannot

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<sup>57</sup> Piketty, 2013: 146-147, 337-338.

<sup>58</sup> If anything, there is empirical evidence that the level of socio-economic inequalities correlates with crime rates. In other words, in countries with higher levels of inequality there are also higher homicide and robbery rates (Fainzylber, Lederman and Loayza, 2002: 1, 25-26).

<sup>59</sup> Winters, 2015: 1.

<sup>60</sup> Winters, 2015: 4-6.

afford to spend time on political matters. These citizens would have less political power even if they lived in a limitarian society that does not allow extreme wealth accumulation. The reason for political inequality here is thus that some citizens have too little wealth, rather than this being a case of extreme wealth accumulation. Limitarianism could first respond that if the wealth of the wealthiest is limited in such a way that it cannot influence politics, the effect of a single vote will increase. For example, if candidates can no longer receive huge donations from private investors, they will focus more on gaining votes than on making strategic decisions in order to protect the special interests of their wealthy contributors.<sup>61</sup> Second, a limitarian state tackles extreme poverty because it takes away the means for the better-off to block redistributive policies. Because wealth inequality creates conflict and social tension, the wealthiest must engage in active strategies of wealth defense in order to prevent their wealth from being redistributed. Because a limitarian state would make it impossible for individuals to accumulate enough money to pursue a strategy of wealth defense, extreme poverty would necessarily lead to redistribution. Thus, in a limitarian society where there is high inequality, the best-off would not have enough wealth to use the state to prohibit redistributive measures that would diminish inequality. Therefore, while limitarianism based on political equality is not committed to redistribution, it enables redistributive policies indirectly by taking away the political power of the rich. Extreme political inequality that arises because of poverty will not be sustainable in a limitarian system, even if the system is agnostic to redistribution below the wealth threshold. In other words, by ensuring that the wealthiest cannot use their wealth to impose a certain distribution of the burdens and benefits of social cooperation,<sup>62</sup> limitarianism indirectly enables the least well-off to benefit financially.

Furthermore, limitarianism does not exclude other distributive doctrines that would empower the worst-off. The only thing it argues for is that the power of the rich should be held in check because it can be harmful to society. But again, why not choose an egalitarian doctrine over a limitarian doctrine, since the egalitarian doctrine cares about the rich having too much and the poor having too little? The reason is that egalitarianism commonly entails leveling down at a level that is harmful for everyone. I will develop this argument further in the next chapter.

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<sup>61</sup> Christiano, 2008: 243-244.

<sup>62</sup> Rawls, 2009: 30-31.



## **Chapter 2: The leveling down objection against limitarianism**

In the following chapters I will discuss two possible important critiques of limitarianism, the leveling down objection and the entitlement objection. In this chapter I will first explain the leveling down objection and why it could be used against limitarianism. I will argue that the leveling down objection fails against limitarianism and overlooks an essential aspect of equality, namely that it is a necessary condition to create welfare and well-being. Furthermore, this necessary aspect of equality is morally relevant. Because the goods that we can redistribute, wealth and money, have a social aspect that can be valuable, and because these goods entail enforcement, at some point their use changes into a means of coercion. A demand for wealth equality is not a morally objectionable expression of greed or envy but a way to keep the distribution of entitlements based on reciprocity and democratic accountability. Therefore, wealth equality should be valued to some extent and the accumulation of riches should be leveled down past a certain threshold in order to ensure that the rich cannot escape legitimizing their wealth entitlement.

### Leveling down objection

The leveling down objection states that it is absurd to favor an equal distribution above an unequal distribution that benefits everyone, or at that least benefits someone without harming others in any way.<sup>63</sup> A way to formulate the leveling down objection is to imagine a world where everyone is blind while one man has one eye. Egalitarians, in order to be consistent with their valuation of equality, should choose to blind the one-eyed man in order to ensure equality instead of letting him have more capacities than others. This would yield an intuitively absurd result. However, limitarianism is committed to redistributing goods only when someone has too many of those goods, though with eyes it is not clear that having one eye can be seen as having too much. Regardless, there are other versions of the leveling down objection that apply to wealth and could be used against limitarianism. This version of the leveling down objection proposes two outcomes: one, the leveling down equality, in which two groups have

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<sup>63</sup> Crisp, 2003: 746; O'Neill, 2008: 140-141.

the same amount of welfare, and two, a situation in which the two groups have significantly more welfare than in the first scenario but one of the groups has less than the other.<sup>64</sup>

According to Roger Crisp it would be highly counterintuitive to prefer the equal outcome over the unequal outcome. Crisp argues that the reason we intuitively find it absurd to level down welfare for the sake of fairness is because we value distribution based on its benefits for individuals. He presents this idea behind the leveling down objection in a principle, which he calls the welfarist restriction. The welfarist restriction stipulates that in choices affecting neither the number nor the identities of future people, any feature of outcome O that results in any individual in that outcome being (undeservedly) worse off than in some alternative outcome P cannot count in favor of O, except to the extent that another in O might be made (not undeservedly) better off. This principle pinpoints the idea that features that speak in favor of outcomes must be grounded, in a direct or indirect way, in benefits to individuals.<sup>65</sup>

In Crisp's view, the value of equality lies in the concept of relative fairness, the relative positions of individuals to one another. He argues that if relative fairness can be separated from welfare – so if for the sake of fairness you prefer a world with lower welfare for everyone – then relative fairness could have its ultimate source in envy. Relative fairness could also be tied to notions such as self-respect or rational consistency. But when the moral weight of these values has been taken into account, and when both worlds entail the same amount of self-respect, then relative fairness has no moral weight on its own. This is not inconsistent with the position that a person's relative position may matter in the distribution of some good or the distribution of an unavoidable bad. Therefore, if someone's position is in no way made worse by a certain distribution but could have been improved, there is no reason not to take relative fairness into account. This can be done consistently without accepting that relative fairness is important per se, since in this case relative fairness does not demand you level down and therefore does not conflict with values of welfare maximization.

Crisp's aim is to find a principle that allows us to take into account the relative position of recipients in any distribution without having to level down. He first discusses prioritarianism but argues that this view fails because priority is not always a value. In other words,

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<sup>64</sup> Crisp, 2003: 746.

<sup>65</sup> Crisp, 2003: 747-748.

prioritarianism cannot explain why we think priority should be given in the cases in which we think it should.<sup>66</sup> At the end of his article, Crisp presents the compassion principle, which states that: '[...] absolute priority is to be given to benefits to those below the threshold at which compassion enters. Below the threshold, benefiting people matters more the worse off those people are, the more of those people there are and the greater the size of the benefit in question. Above the threshold, or in cases concerning only trivial benefits below the threshold, no priority is to be given.'<sup>67</sup> To set the threshold, Crisp argues that compassion must be tied to the notion of lack. Thus, the threshold under which individuals should be given priority depends on whether they have a life that is sufficiently good.

Martin O'Neill responded to the leveling down objection by proposing a new kind of egalitarianism that does not value relative fairness or inequality in itself. However, he argues that equality is valuable because it is necessary to promote other goods, and thus this non-intrinsic egalitarianism could be consistent with the welfarist restriction and therefore be unaffected by Crisp's critique. In other words, non-intrinsic egalitarianism would not be committed to leveling down welfare – to giving everyone a worse life – for the sake of equality. Limitarianism, on the other hand, cannot escape leveling something down, even if it does not benefit anyone else. Because the limitarianism I defend is agnostic to redistribution, it is committed to leveling down the welfare of those who have too much of it even though it does not benefit the welfare of others. But the following questions arise: when does someone have too much welfare, is it possible to have too much, and is welfare the relevant unit with which to talk about distribution?

### Metrics and redistribuendum

In his article, Crisp assesses the quality of a distribution in units of welfare; the higher the numbers, the better the lives of individuals living in such a world.<sup>68</sup> Moreover, the quality of life in the equality world can be compared with that in the inequality world. By doing so, Crisp is able to separate the quality of life from the distribution of goods, so he leaves out the effects of the distribution of goods on the welfare of a society. He makes the assumption that we can

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<sup>66</sup> Crisp, 2003: 748-750, 755-756.

<sup>67</sup> Crisp, 2003: 758.

<sup>68</sup> Crisp, 2008: 746.

simply move one unit of welfare from one group to another, which would automatically lead to a better life. This also enables him to disregard the fact that where wealth comes from and how it is distributed affects the well-being of the population. However, as Crisp also mentions, relative fairness can create envy. And envy, we can assume, is something we prefer not to have. There is thus at least one way that the equality world is preferable to the non-equality world, namely in that there is no envy.<sup>69</sup> Therefore, it is in some way better to choose the equality world over the inequality world, even though, all things considered, the latter is preferable. But because his measurement is in welfare, Crisp can claim that he takes the effects of envy into account without having to defend the credibility of his distribution. Crisp could be right in his claim that equality is not an intrinsic value, but neither is the aggregation of welfare, depending on what welfare is. If welfare is the total quality of life, then welfare is a metric of justice, a way to determine the quality of a distributive system. But in this case, equality is a necessary but not sufficient condition for higher welfare. If welfare is, like wealth, a redistribuendum – something you can distribute in order to promote a metric of justice, like total well-being or quality of life – then Crisp is wrong in thinking that more welfare is better. More material welfare does not correlate perfectly with well-being, so promoting welfare would not necessarily always promote well-being, especially if it is unequally distributed. I will first defend this point with some empirical proof and then argue why equality not only does matter but also ought to matter. In other words, I will argue that wealth equality is not only a question of envy and greed but a morally important value even though it is not intrinsically valuable.

If welfare is a metric of justice that shows the overall quality of one's life, then we can assume that lower crime rates are an important factor that determines welfare. In other words, when you live in a place with many murders and crimes it is likely an unpleasant place to live, and your welfare will be lower. According to research conducted by Pablo Fajnzylber, Daniel Lederman, and Norman Loayza, crime rates across countries are highly correlated with income inequality. Moreover, this correlation reflects causation from inequality to crime rates even after controlling for other crime determinants.<sup>70</sup> The researchers began with a simple statistical model with which they investigated the correlation between the Gini index and, separately,

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<sup>69</sup> Crisp, 2003: 746-749.

<sup>70</sup> Fajnzylber, Lederman and Loayza, 2002: 1.

homicide and robbery rates. They did so along different dimensions of the data, for example, between or within countries and at different times. Next, they investigated the correlation while controlling for other potential crime determinants, like the education of the adult population and their overall wealth (assessed by the real gross national product per capita). This means that they investigated the correlation between inequality and crime while taking away other potential crime determinants, which enabled them to calculate the specific effect of inequality. Third, they controlled for the effect of crime rates on inequality. By doing so, the researchers were able to control the direction of the effect. In other words, the correlation that was measured was actually about how inequality influences crime, rather than the other way around. Fourth, they controlled the measurement error in crime rates to assess whether the correlation was influenced by their method. Furthermore, in order to control their method, they used other ways to measure inequality. This made it possible to assess whether the correlation depended on their indicator of inequality or if it was replicable with other indicators and was therefore valid. Finally, they tested the robustness of their correlation by including additional variables that may drive both inequality and crime.<sup>71</sup>

At every step the correlation between crime and inequality was highly significant, but the mean level of income had no significant effect on crime and homicide rates.<sup>72</sup> This means that a wealthier society is not a safer one, but a more equal society is. Thus, a more equal society also has more welfare, and therefore leveling down at the level of the redistribuendum, wealth, can improve the level of the metric of justice, welfare. However, the study also showed that economic growth, calculated by the percentage of annual change of the gross domestic product, also had a statistically significant negative effect on homicide and robbery rates. So even though the mean level of income does not affect the welfare of the population in terms of less crime, an increase in wealth does affect the crime rate. This means that the level of inequality is more important for the welfare of population than general wealth, but on the other hand an increase in wealth is also important for the welfare of the population.

Thus, a world with a higher level of inequality could entail lower average welfare, while a world where the average welfare is high could mean that wealth inequality is low. In other

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<sup>71</sup> Fajnzylber, Lederman and Loayza, 2002: 4, 7.

<sup>72</sup> Fajnzylber, Lederman and Loayza, 2002: 10-12, 15, 17, 21, 24-26.

words, a world where everyone has sufficient wealth could still have a lower level of welfare than a world where everyone has a lower amount of wealth but wealth is more equally distributed. So when we talk about the well-being of a society, the level of inequality is an important determinant for the welfare level. Crisp must choose between an idea of welfare as something you can distribute, a redistribuendum that can augment the quality of life of a person, and the view that welfare is a metric of justice, a way to measure the quality of a certain distribution in a society. In the first case, if welfare is a redistribuendum like wealth, the total amount of welfare is not enough to ensure a good society; the way it is distributed matters as well. If welfare is seen as a metric of justice, then Crisp must accept the view that equality is valuable at the level of the redistribuendum, since the way in which the redistribuendum is distributed affects the overall quality of life of a society.

We thus have evidence showing that inequality is a significant factor in the quality of life in a country, but now the question is whether equality should be a significant factor or whether it only comes from a morally less valuable impulse like envy. In order to determine whether a distribution of a good should matter or not, we have to look at the nature of the good. I will assume that welfare is a metric of justice and that it therefore assesses the quality of a society, but the latter also depends on the distribution of other goods. In his article, Crisp sometimes uses chocolate and alleviating serious pain as examples, but both these redistribuendums are dependent on something else, namely wealth.<sup>73</sup> I will argue that it is in the nature of money and wealth to be quantifiable, impersonal, and enforceable, which is in itself not a problem but can affect the political equality of citizens. In other words, equality in wealth can be seen as important because it is a defense mechanism, instead of being mere envy.

My argument is thus that wealth should be leveled down because extreme wealth accumulation necessarily creates political inequality and a lack of accountability. Furthermore, this problem of political inequality does not necessarily require redistribution. In other words, we do not necessarily need to give the confiscated surplus of wealth to citizens living below the wealth threshold. Taking away the wealth of the rich will be enough to take away the means to

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<sup>73</sup> As I previously said, wealth entails not only money but also other goods like houses, food, and land.

have more political power. Therefore, my argument will show that we do not necessarily need to redistribute wealth in order to avoid the socially harmful effect of wealth inequality.

### Nature of goods

Eyes are useful and leveling them down is intuitively objectionable, so having two eyes is preferable to having one, which is preferable to having no eyes. But why should we care about a world in which some humans have four eyes and others have three eyes (with the third and fourth eyes positioned under their normal eyes, rather than on their back) over a world where everyone has two eyes? Unless having more than two eyes appears to give some kind of valuable asset, like a biological advantage, we have no moral reason to care about equality less than inequality, even though under equality everyone's number of eyes is diminished. So, in order to determine the impact of a distribution of goods on the welfare of the population, we must understand the nature of those goods and how they are useful for human beings.

Consider, for example, that we would distribute food, grains of sand, self-respect, coercive power, or money. In the case of food we could think that leveling down would be bad, so we would prefer a world where the worst-off receive 100 slices of bread daily and the best-off receives 150 slices of bread rather than a world where everyone receives 75 slices of bread daily. However, the person who would prefer the unequal option has probably never tried to eat a hundred slices of bread in one day; after a certain point having more slices of bread is insignificant, since humans do not need more than a certain amount and the remainder would rot and become worthless. This is even clearer with sand, there is no reason for someone to care about having more or less sand if he cannot do anything with it. In such a case there is no reason to prefer an unequal world, where everyone has more sand, to an equal world, where everyone has only two grains of sand. There is also no reason to prefer an equal world, since sand is not intrinsically harmful, but in any case the leveling down objection is irrelevant. With regard to coercive power, I presume that most of us would prefer that there would be no need for coercive power, and thus we would prefer a world where none exists to a world where someone has that power. However, if there is coercive power, we have reason to think that it is preferable for everyone to have equal power, so that they can defend themselves against one another and no one can dominate the other, rather than a world with unequal coercive power

where the strongest can dominate the weaker. Therefore, in the case of coercive power, we have reason to prefer equality to inequality.

The nature of wealth is more complicated. On the one hand, more individual wealth can always in some way improve the utility, or the welfare, of someone.<sup>74</sup> Controlling wealth, and the ownership of it, is important in that it increases the sense of control a person has over his or her environment. Furthermore, it is also closely linked to the idea an individual has of his- or herself, and it contributes directly to a person's autonomy.<sup>75</sup> On the other hand, wealth can be used to control others and entails some kind exclusion. Both the valuable and the harmful aspects of wealth have to do with its social nature.

The value of wealth is dependent on the way others behave towards it, and thus its social nature. There are two main reasons for this. First, while wealth can be valuable because of its usefulness, its value still diminishes on the margin. Having one house is nice and leads to a high increase in welfare, but having five houses leads to a lower increase in welfare. Of course someone's welfare could still increase because he likes having many houses, but his increase in welfare will still decline for each supplementary house he acquires. Furthermore, one could argue that when you have five houses you can sell one in order to get something else that is valuable. However, this would entail placing wealth in its social context. This is so because your ability to increase your welfare by selling your house is dependent on the willingness of others to recognize and accept its value; if no one wants your house, then you will be unable to transform it into more welfare.

A second reason why the value of wealth depends on its social context is that in order to use your wealth and to be able to transform it into welfare, others need to recognize your claim towards your wealth. In other words, your wealth must be yours if you want to use it for your own well-being. This entails the need to exclude others from using your wealth, which in turn necessitates that others recognize your claim of ownership.<sup>76</sup> But recognition is not enough; you also need the means to enforce this recognition. For example, if you have a huge loft in

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<sup>74</sup> As I will discuss later, the utility of wealth and money for an individual does not increase at the same rate, but almost always increase it in some way. Wealth is not like bread that rots when you have too much of it to consume, and having one extra house is always nice, but still the more houses you have the less extra utility it gives you.

<sup>75</sup> Christman, 1994: 235.

<sup>76</sup> Ypi, 2011: 92.

Amsterdam but squatters live in it, then even if your possession of the loft is recognized, having the loft is useless unless you can enforce it. Therefore, wealth can only be seen as valuable and as promoting welfare, when it is put in its social context. However, this also entails an aspect of exclusion and coercion.

### Exclusion and harm

This exclusionary aspect of wealth can exist without significant violence or problems. In a given society the enforcement of the possession of wealth can be grounded in reciprocity and equivalence. In other words, you accept the right of another to exclude you from using his wealth when the other gives you the same right.<sup>77</sup> This requires a certain level of wealth equality. If one of the partners has enough wealth or power to protect his right without needing to recognize the right of the other, there is for the better-off no need to endorse this reciprocity. In other words, if a citizen has enough wealth to protect himself, he has the means to enforce (more or less) violently his control right instead of respecting the right of the other.

This is what happens with wealth defense. As shortly discussed in the previous chapter, wealth defense is an active strategy by the rich to enforce their claim on their wealth, by influencing the state and its coercive apparatus. According to Winters, this can happen when the rich use their wealth directly to hire military power and protect their fortune. But it is also possible that the wealthy use the state's apparatus to guarantee the security of their wealth. Wealth defense does not necessarily need to take the form of violent enforcement; it can take a legal-constitutive form. For example, the framers of the American constitution created a division in the government that included powerful oligarchic defenses in the structure of democracy, impairing the poor from acting democratically against the rich. But this kind of constitutional-legal wealth defense must still be enforced coercively. Other forms of wealth defense have an ideological aspect, for example by creating a narrative of the rich as being a minority for whom the right must be protected. A modern kind of wealth defense is based on secrecy and tax evasion: the wealthiest can use gaps in legislation to place their money in tax havens and escape redistribution. Moreover, they can use the wealth defense industry, including lawyers and lobbyists, to keep loopholes open. The lobbying arm of this industry was

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<sup>77</sup>Graeber, 2014: 102-103; Ypi, 2011: 99-100.

also used after the 2008 financial crisis to ensure bailouts for wealthy Americans.<sup>78</sup> Wealth defense thus takes in different forms and does not always involve direct violence. Even some kinds of wealth redistribution could be a form of wealth defense, such as the compassionate redistribution for which Crisp argues.<sup>79</sup>

Redistribution and poverty reduction correlate with lower crime rates, as the research of Fajnzylber, Lederman and Loayza above shows.<sup>80</sup> So redistribution, out of compassion or out of something else, indeed diminishes violence and, besides increasing the welfare of the population in a certain sense, helps the rich to defend their wealth against a discontented population. But distribution out of compassion is not done out of reciprocity, as it is not the rich and wealthy that must justify their wealth towards the lesser-off in order to have their claim recognized. Compassion is a form of charity; you are compassionate towards someone else because you have pity on him, not because his is your equal. This entails a hierarchy in which the giver is above the receiver. Even if this compassionate relationship is incorporated into the law and becomes customary, it still represents a hierarchical relationship.<sup>81</sup> Therefore, the worse-off in a compassionate society, even if the threshold of compassion is defined by an impartial spectator, are at the mercy of the better-off. This model can be compared to oil-rich countries where dictators are able to buy off the population with the wealth they receive from the oil.<sup>82</sup> In other words, compassionate redistribution cannot prevent money from finding its way in political relations and create a system in which the poor are dominated by the rich. Compassionate redistribution is like making slaves richer: they can be wealthy, but they remain slaves anyway. Thus, caring about wealth equality is not necessarily caused by envy but a rational need to protect oneself from the growing power of others.

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<sup>78</sup> Winters, 2015: 1-4, 9, 31, 36-37, 44-46.

<sup>79</sup> Crisp, 2003: 758, 762.

<sup>80</sup> Fajnzylber, Lederman and Loayza, 2002: 26.

<sup>81</sup> Sangiovanni, 2007: 29-34; Graeber, 2014: 109-112.

<sup>82</sup> The article of Michael L. Ross, *'Does Oil Hinder Democracy?'* (2001), shows that states with a high amount of oil use this oil to prevent the emergence of democratic institutions. Moreover, his article does not only investigate the correlation between oil-rich countries and the emergence of democratic institutions but he also uses statistical methods to research the causal mechanism, the explanation for the correlation. His research shows that one of the ways oil states use their wealth to hinder democratization is through redistribution, and this therefore shows that policies of redistribution are not necessarily democratic (Ross, 2001:332-335, 347-349, 256-357).

The wealthiest could of course argue that their welfare is diminished at the cost of welfare for others. This is correct; however, in contrast to the claim for equality, I disagree about whether this is a morally relevant argument for several reasons. First, equality would diminish violence and increase the stability of a country, which would also benefit the rich. This would benefit the wealthiest to a lesser extent than the poorest since the rich have the financial means to protect their wealth and their lives more efficiently than the poorest. However, lower crimes rates and less violence would probably have a beneficial effect on the welfare of the rich as well. Second, and more importantly, above an inequality threshold, the wealthy can enforce their own entitlement to their wealth without being accountable to the rest of society. So it is morally acceptable that the rich amass wealth in order to increase their welfare, but this is not permissible when it is done at the cost of the freedom and autonomy of the less well-off. Having slaves would probably also have a positive effect on the welfare of slave holders, but this does not legitimate slavery. For these reasons the rich cannot fall back on their own welfare to defend unlimited wealth accumulation. Of course they could fall back on an idea of a natural right over property or that they deserve their wealth. The complexity of the term desert and the limitations on time and word count do not allow me to treat this question extensively.<sup>83</sup> In the

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<sup>83</sup> The question of “desert” is too broad and complex to discuss in this thesis, but still I want to raise some small objection about whether the rich deserve their wealth. The wealthiest could argue that they deserve their wealth and the extra welfare that their wealth provides them. Here we are discussing desert and not entitlements; in other words the wealthy must do some deserving action that explains his wealth accumulation. There are several responses to this idea. First, it is the question of whether rich individuals deserve in any way their talents that enabled them to be rich (Rawls, 2009: 103-105). Second, even if we accept that the rich could deserve the fruits of their arbitrarily given talents, they still have a duty of reciprocity towards the citizens and the society that allowed the talented to make use of their talents. By securing a legal system that protects, the state and citizens create an infrastructure that enables individuals to make use of their talents, and the state creates the opportunity for individuals to develop their talents. Therefore, the most talented owe the benefit of their talent in a significant way to the rest of society (Sangiovanni, 2007: 22-29). Furthermore, the burden of proof of explaining why the rich deserve their wealth lies with the proponent of desert-based inequalities. Moreover, the explanation must be based on something other than a simple reference to the wealth of the rich. In other words, it is no valid justification to say that the rich deserve their wealth because they apparently have that wealth. This means that proponents must explain why the deserving action of the richest can legitimize that the richest American are 40,000 times richer than the average American citizen. Does this mean that the wealthiest are also 40,000 times more deserving than the average American citizen (Winters, 2015: 3-4)? The claim over inherited wealth would also be difficult to defend with a desert-based argument. This is especially relevant because the greatest fortunes are mostly inherited (Piketty, 2013: 602-606, 701-714). Moreover, without political equality it could be problematic to say that wealth is deserved because wealth both produces and is produced by political power, so the question is whether the wealth is deserved or if we think it is deserved because it is enforced by state coercion. Furthermore, that someone deserves his wealth or welfare does not necessarily mean that he also deserves the political power that is enabled by wealth. Finally, it is not clear that desert should be an absolute value. In other words, it is not

next chapter we will discuss more extensively the right to ownership and whether limitarianism wrongfully violates it.

Now I will present a short summary of the argument in this chapter. I have argued that welfare is a metric of justice that depends, to some extent, on wealth equality. The reason is that the distribution of wealth affects welfare in a morally relevant way. Wealth improves welfare because it can be used to fulfill some basic needs but also because it is tied to some form of autonomy, the conception of the self, and it gives a sense of control over one's environment. But this aspect of riches entails the ability to exclude others from using one's property and enforcing this exclusion. This is not a problem provided that the exclusion exists on the basis of reciprocity and mutually recognized and accepted obligations. However, inequality enables the well-off to defend their wealth without accountability towards the less well-off. A system with high wealth inequality therefore cannot ensure political equality since it cannot ensure that the wealthiest are accountable for their wealth. This is in turn, I assume, problematic for the welfare of a society. Furthermore, the problem of political inequality is not created because the poor have too little wealth, but only because the rich have too much of it. For this reason we can solve the problem of political inequality without necessarily being committed to redistributing the surplus of wealth. Therefore, the limitarianism I defend, which is agnostic to the way wealth is used below the threshold, can provide a solution for wealth inequality. Of course there could be other reasons that count in favor of using the wealth productively; namely, it could produce more welfare. This limitarian doctrine can take into account the value of equality without being committed to leveling wealth down below the harmful threshold. For these reasons, limitarianism is a doctrine preferable to compassionate sufficientarianism, which would allow wealth inequalities to become harmful, and some forms of egalitarianism, which would level down harmless wealth inequalities.

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because we value desert that we can value it irrespective of the cost; perhaps political equality is too high a cost for basing wealth on desert. I leave the answer to these questions open since the proponents of desert-based inequality have the burden of proof, but I am highly skeptical of whether we can legitimate excessive wealth inequalities through a concept of desert.

### **Chapter 3: The entitlement objection to limitarianism**

We ended the previous chapter with a short discussion of whether the rich could fall back on their own welfare to defend unlimited wealth accumulation. This chapter will discuss whether it is in any way morally permissible to infringe upon the property rights of citizens through redistribution or limits on wealth. I will first clarify some concepts and definitions about property rights and ownership. Afterwards I will discuss empirical evidence that shows that our current conception of property rights, one that gives the authority to control a property and benefit from the income to a private individual, is a product of state coercion. This is problematic for entitlement theorists, like libertarians, who legitimate societies based on the way they protect the private property rights of individuals. This legitimation of capitalist societies, which respect the private property rights of individuals, is invalid since private property is a product of the system it aims to legitimate. For this reason, libertarians cannot use the current conception of property to evaluate political systems. This also means that private property rights cannot be used as an argument against a limitarian state. Furthermore, by valuing political equality, state coercion in a limitarian state and the distribution of wealth can be legitimated by values that are not already products of state coercion.

#### Property rights and ownership

Following articles by John Christman and Jeremy Waldron, I will underline several distinctions between systems of ownership and kinds of property rights.<sup>84</sup> The first is based on the way control over property is organized. According to Jeremy Waldron, there are three types of property arrangement: common property, collective property, and private property. In a common property system resources are governed by rules that make them available for use by all or any members of the society. The restrictions on use are only there to secure fair access for all and to prevent anyone from using the common resource in a way that would preclude its use by others. Collective property is based on the idea that the community as a whole determines how resources are to be used. These determinations are made on the basis of the social interest. Finally, in a private property system, rules are organized around the idea that various contested resources are assigned to the authority of particular individuals. The restrictions in

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<sup>84</sup> In this thesis, and more specifically in this chapter, I use the terms ownership and property interchangeably.

this right are, in theory, based only on the desire and the decision of the proprietor, irrespective of the needs or the interest of the rest of the society.<sup>85</sup>

The second distinction is based on the work of John Christman, who divided the concept of ownership into two packages of rights. He calls the first category control rights – the rights to use, possess, manage, alienate, consume, destroy, and modify the owned asset. The other set contains rights to transfer and gain income from goods, which are what Christman calls income rights. Control rights are aspects of a person's independent powers over the thing owned. Therefore, to exercise control rights, the individual is independent of the consent and cooperation of others. Only the aspect of excludability is a control right while not being strictly nonrelational in itself, since it entails the exclusion of others. How the user is going to use his possession can be limited by others, but for a wide range of actions and goals, others' cooperation need not be secured for the rights in question to be exercised. On the other hand, to exercise one's income right, an individual is dependent on others, because receiving a benefit and the height of the benefit are dependent on the willingness of others to pay for the traded good.<sup>86</sup>

Another important difference between the two concepts has to do with the different interests that are advanced when these rights are exercised. Control rights have the virtue of contributing to a person's autonomy, giving her a sense of control over her environment, and they contribute to one's self-conception. This is so because control rights give the owner the ability to use his possession in order to create opportunities and options that affect the development of his character, in a predictable and consistent way. Income rights, on the other hand, are unpredictable and subject to change. When someone tries to create an income from his property, the price and the terms of trade are dependent on several external factors, including the demand, information costs, and transaction costs. Thus, according to Christman, income rights are not as essential as control rights in promoting the autonomy of individuals.<sup>87</sup> Control rights can exist in different systems of ownership, like a system of common property. For example, with regard to land or means to produce food and fulfill basic needs, control rights

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<sup>85</sup> Waldron, 2004: 2.

<sup>86</sup> Christman, 1994: 227, 231-235.

<sup>87</sup> Christman, 1994: 235, 239-241.

can be efficiently regulated by a system of common property rights. Thus, if a fish pond is commonly owned by a village, two individuals can own the pond and fish whenever they want. Before the emergence of mass fishing techniques, the use of the pond by one individual did not restrict its use by others. However, in a system of common ownership the exclusionary aspect of control rights is weakened. Therefore, even though control rights could be protected in different systems of ownership, they are more directed towards a system of private ownership.<sup>88</sup>

Besides a difference between systems of ownerships and kinds of rights, it is also relevant to point out the differences between markets and capitalism. Briefly put, the difference entails that markets can exist in different systems of property, while capitalism can only appear in a private system of ownership. The market is the domain of voluntary exchange, and market relations entail the voluntary exchange of goods between two or more parties. These parties value the goods differently and thus stand to gain from entering such a relation. Therefore, the gain of the one does not need to be at the expense of the other. In a market the property can be governed through systems of ownership other than private ownership; for example, a whole village could own their property and trade it with other villages. Moreover, the control rights can be governed differently than the income rights. For example, the control right of a commonly owned piece of land can be traded for some income and the income can in turn be managed collectively, by being distributed according to social interests. In other words, market relations can manage the control rights independently of the income rights, making use of different systems of ownership. Capitalism, on the other hand, is a system that revolves around three key elements, namely individual private property, wage labor, and the sanctioned aim of profit-maximization on the part of the owners of capital. The profit-maximization is done in the market, so while markets can exist outside of capitalism, it is not possible for capitalism to exist without markets. In a capitalist system the boundary between income rights and control rights is blurred and the sole system of ownership that is compatible with it is a private one.<sup>89</sup>

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<sup>88</sup> Christman, 1994: 249.

<sup>89</sup> Rossi and Argenton, 2016: 7-8.

## Entitlement

Entitlement theorists, like libertarians, base the legitimacy of a political system on whether it arose without violating the rights of those affected. For libertarians, there is no distinction between control rights and income rights. To take away someone's income without his consent is, according to Nozick, in some way similar to forced labor. From self-ownership emerges world-ownership, private property rights over parts of the external world. Distributive policies make members of the society part-owners of the individual and violate his self-ownership. Thus, according to libertarians, not only are restrictions on control rights morally objectionable but restrictions on income rights are as well.<sup>90</sup> Moreover, a capitalist society is not only legitimate, since it does not violate property rights, it is also morally valuable because it protects those rights.<sup>91</sup> For these reasons, entitlement theorists see capitalist societies as the only legitimate ones.

Limitarianism, on the other hand, requires taking away the property of individuals, and thus would be an illegitimate system that violates the rights of individuals in the view of libertarians. Below the threshold of wealth, the limitarianism I defend has no particular commitment towards redistribution or taxation. In other words, a limitarian state could, in theory, fully respect the control and income rights of citizens whose wealth is below the threshold.<sup>92</sup> It is therefore compatible with different systems of ownership until the wealth accumulation of some becomes socially harmful. In this sense, a limitarian state would have a system of common ownership. Limitarianism aims at ensuring political equality, and this, as I explained in the previous chapter, ensures reciprocal respect of control rights and democratic accountability.<sup>93</sup> By limiting excessive wealth accumulation, limitarianism only prevents the wealthiest from excluding the worst-off from accumulating wealth.<sup>94</sup> A limitarian state is therefore committed to restricting both the control rights and the income rights of those above

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<sup>90</sup> Nozick, 2013: 172; Christman, 1994: 228-229; Rossi and Argenton, 2016: 6.

<sup>91</sup> Rossi and Argenton, 2016: 5.

<sup>92</sup> Of course this does not mean that a limitarian state would or is committed to respecting property rights below the threshold. In other words, a limitarian state can consistently tax the wealth of citizens below the wealth threshold.

<sup>93</sup> Ypi, 2011: 100-103.

<sup>94</sup> Waldron, 2004: 2.

the wealth threshold and is thus, according to entitlement theorists, illegitimate. This is so even though limitarianism could respect the property rights of citizens below the wealth threshold.

However, for the argument of libertarians to work, they must show that the right of self-ownership is a natural right that comes before the capitalist state or, more specifically, the private property-enhancing state. In other words, self-ownership must be a natural right in order to be used to evaluate distributive systems instead of being a product of those systems. If it is a product of the state – if the only reason we value this right is because we live in a capitalist system – then capitalism creates its own way of assessing its success, and thus we cannot use self-ownership as a way to legitimize capitalism.<sup>95</sup> It is like creating a machine that produces its own fuel, the sole use of which is to make this machine work. To say that such an engine is great because it produces its own fuel most efficiently is not a valid argument. I will discuss this more in depth later in the chapter. Furthermore, if self-ownership appears to be a false way of assessing the legitimacy of a distributive system, then entitlement theorists cannot use private property rights to discredit limitarianism.

### Anthropological and psychological evidence

In their article *Libertarianism, Capitalism, Ideology: A Reality Check*, Rossi and Argenton argue that the idea of self-ownership and private property is indeed a product of a capitalist system. Using anthropological evidence, they show that the concept of private property emerged at some point in time after the emergence of the first state-like entities. The kind of property that originally arose, before the first states, was a more general idea of property, based on common ownership.<sup>96</sup> For example, hunter-gatherers seemed to view land not as an object that could be owned but as something with which people associated themselves. Hunters also used the results of their hunt as common property that they shared with the whole band, regardless of who killed the animal, because social approval gave an adequate incentive for the males to share.<sup>97</sup> It is only with the rise of chiefdom that patterns of appropriation changed. Chiefs were individuals who were powerful enough to appropriate the previously commonly

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<sup>95</sup> Williams, 2008: 6.

<sup>96</sup> Rossi and Argenton, 2016: 8

<sup>97</sup> Widerquist, 2014: 30-32.

owned land and transfer ownership to groups or institutions. This coercive transition from common private ownership to individual ownership had the virtue of making property simple, legible, and taxable.<sup>98</sup> This shows that rather than the state protecting a natural right to individual property, it is the state itself that created such a right. This means that the idea of individual private property is not politically neutral but is dependent on the state.

Failed states could still share our modern conception of property rights even though the states itself lacks the coercive power to enforce them, because such countries resemble chiefdoms more than hunter-gatherer societies or tribal societies.<sup>99</sup> While chieftains were able to amass enough private property to establish their power over others, societies of hunter-gatherers entailed a kind of relative equality. Of course some people were stronger than others, but to ensure one's survival, individuals needed the rest of their community. This entails respect for unwritten laws based on reciprocity and enforced by socializing mechanisms. When some chieftains were able to amass enough riches, this also meant that they were able to extract themselves from the requirement of reciprocity. Failed states are thus so violent because they resemble chiefdoms in which a small group acquires the coercive means to enforce their authority, not because there is no authority.<sup>100</sup>

This is not to say that there were no control rights in stateless societies or that individuals could not use property to shape their identity. The right of property was not seen in individual-exclusive terms, but rather as something closer to a form of strong association, or relatedness. Moreover, income rights, or the rights to the benefits of the property, were based on a sense of generalized reciprocity, without direct expectations of return. Land and other key productive resources were primarily used for sustenance, and sustenance required appropriation of some kind. This entailed a right to use but not an idea of exclusive individual ownership. Individuals were thus able to form their identities by the way they used property and received certain recognition and social status, without necessarily having to exclude others

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<sup>98</sup> Rossi and Argenton, 2016: 10.

<sup>99</sup> While tribal societies or autonomous villages were bigger than hunter-gatherer bands, most of them still showed the same egalitarian living standards as hunter-gatherer societies and were not ruled by a defined group or individual. Widerquist, 2014: 8, 15.

<sup>100</sup> Widerquist, 2014: 5-15.

from the use of goods.<sup>101</sup> Moreover, the beneficial aspects of control rights over property can also emerge without a strict exclusionary right of use. In other words, you can own a spear without prohibiting its use by other hunters in your society. This has to do with the intuitive grasp that humans have on private property. For example, psychological evidence shows that children attribute ownership based on heuristic tools that resemble first-possession and labor-mixing principles. In other words, children see the owner of an object not as the one who is currently holding it, but as the one who first held it.<sup>102</sup> This means that the exclusionary use of objects and income rights are not necessary to enable humans to receive recognition for their labor and other social benefits. Furthermore, this shows that the income of a commons does not necessarily lead to free rider behavior, even though there is no enforcement of private property.<sup>103</sup>

In his article *Property in the Moral Life of Human Beings* (2013), Christopher Bertram shows that our grasp of property rights is indeed pre-political and has some general usefulness in promoting cooperation. Moreover, although we seem to have an intuitive grasp of the concept of property that is indeed pre-institutional, this does not mean that our modern conception of property is an accurate way of legitimizing the state. There are several reasons for this. First, that these rules could enhance cooperation in small and mobile bands does not mean that they still facilitate cooperation in our modern world. Second, even if the state does not create our primary idea of property, it still shapes the form that property takes in our modern world to a large extent.<sup>104</sup> Therefore, even though the idea of property is pre-political, its modern application is not pre-political and even less intrinsically valuable. The conception of property depicted by Bertram is not inconsistent with an idea of common property; if anything, it is inconsistent with the individual version. Because the modern application of private property gives the right to use and the right over the income to the authority of particular individuals,<sup>105</sup> it removes the property from social control and harms reciprocal cooperation. Property is a tool to facilitate cooperative behavior, making coercion and enforcement less necessary. There are

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<sup>101</sup> Rossi and Argenton, 2016: 8-9; Widerquist, 2014: 8-9.

<sup>102</sup> Bertram, 2013: 418.

<sup>103</sup> Christman, 1994: 243-244; Bertram, 2013: 415; Widerquist, 2014: 8-9.

<sup>104</sup> Bertram, 2013: 423-424.

<sup>105</sup> Waldron, 2004: 2-3.

certain psychological mechanisms of a sense of fairness that ensure, at least to some extent, that individuals recognize and respect private property.<sup>106</sup> The coercive enforcement of individually owned property over time, like inheritance and intellectual property rights, are perhaps derived from a biological idea but are highly influenced by the existence of the state.<sup>107</sup> This means that we must be careful about the application of property rights without taking into account their social impact, and that we cannot simply use our modern concept of private property as a means to evaluate state coercion.

### Non-moral argument

The problem with the entitlement approach of Nozick is that it uses an ideologically shaped idea of the seemingly uncontroversial concept of private property. So even if the general idea of property is intuitive, the form of individual private property is not, because it is shaped by a capitalist system. Furthermore, Nozick tries to justify his sociopolitical system through the distinct normative commitment to individual private property. But why might this be wrong, and how does this affect the question of whether limitarian policies are illegitimate? It is problematic because, according to Bernard Williams, if the justification of the coercive system is produced by that system itself, then the justification fails in justifying the coercive system.<sup>108</sup> In other words, the justification of capitalist society based on its respect for individual private property fails because the idea of private property itself comes from the capitalist system. If the only reason you have to accept someone's moral claim is that the moral claim supports the interest of the one who wants you to accept it, you have no real reason to accept it.<sup>109</sup>

The reason why this is problematic can be explained by epistemic rather than moral considerations.<sup>110</sup> Rossi and Argenton argue that our acquisition and understanding of the concept of property is influenced by its historical aspect in a way that makes it problematically resistant to rational revision. As Bertram's article also showed, the concept of private property

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<sup>106</sup> Bertram, 2013: 415

<sup>107</sup> Bertram, 2013: 424.

<sup>108</sup> Williams, 2008: 6.

<sup>109</sup> Rossi and Argenton, 2016: 14-15.

<sup>110</sup> Were we to use moral concepts we would first need to justify the origin and the way those moral concepts came into being.

is not only shaped by our nature but our modern conception of property is in large part shaped by our environment. We therefore understand this concept in a certain manifest way that is not the way this concept works. In other words, we understand private property as a right and a constraint on state activity when it actually functions as a tool of the state, making the social world legible and controllable. But precisely because of its link with social practices, and because we see individual private property as a constraint of the state, we are inhibited in appreciating the evidence that could enable us to rationally revise the concept.<sup>111</sup>

This is not to say that a capitalist system is illegitimate, nor does this mean that coercively implementing individual private property is something bad. This only means that we cannot use the concept of private property as a reliable and valid justification for the state. It could still be a good idea to ascribe importance to property rights, but individual private property as such cannot explain why a certain form of state is legitimate.<sup>112</sup> We could fall back on the idea that individual private property is good because it makes our society cooperate well and is linked with a natural sense of fairness. However, to say that is not to say that private property is an absolute moral right, since if private property were to come into conflict with other values that promotes cooperation or itself be harmful to cooperation, we would have to abandon private property.

There are several reasons why all of this is relevant for limitarianism. First, this means that we cannot reject a limitarian state as illegitimate because it violates individual private property rights; since, as I have argued above, the concept of individual private property is itself a product of state coercion, it cannot be used to evaluate state coercion. This means that libertarians cannot use the idea of private property to evaluate the legitimacy of capitalist states or limitarian ones. Thus, the entitlement objection fails against limitarianism. Second, limitarianism enables a rational revision of our concept of private property and the legitimacy of state coercion. Because limitarianism values property rights as an instrumentally valuable it needs a critical reflection on entitlements to legitimate the enforcement of property rights. Thus, there can still be private property, but its enforcement requires another justification other than the idea of property rights. For example, desert could be used as a justification. But

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<sup>111</sup> Rossi and Argenton, 2016: 16-17; Bertram, 2013: 424.

<sup>112</sup> Rossi and Argenton, 2016: 17-18.

whatever this justification, a limitarian doctrine would ensure its acceptance is not already the product of wealth inequality. In other words, because limitarianism ensures that wealth inequalities do not spill over into political influence, the political choice to accept a certain amount of wealth inequality would be produced by something other than wealth inequality itself. Moreover, the legitimation of state coercion must be subjected to reflection under political equality. Therefore, it will also be subjected to the critiques of those who are against political equality, and thus even the value of political equality can be challenged and revised. In summary, not only does limitarianism refute the objection of entitlement theorists, it also avoids the pitfall of valuing an idea that is resistant to rational revision.

## Conclusion

This thesis presented a defense of a limitarian doctrine that is indifferent to the way wealth is redistributed below a certain threshold. Limitarianism, as presented by Ingrid Robeyns, is a doctrine that argues that it is morally objectionable to have too much wealth. While some kind of limitarianism could be committed to redistributing the wealth of the wealthiest to the poorer, the kind discussed in this thesis is not. I have defended this form of limitarianism as instrumentally necessary to promote political equality. I first showed that wealth accumulation affects the political influence of the wealthiest at the cost of the influence of other citizens, and thus extreme wealth accumulation creates political inequality. I then argued that political equality is valuable irrespective of which interests in the political system are defended. In other words, the equal opportunity to influence the political process is important even if the wealthiest try to promote the interests of the rest of the population, because political equality enables citizens with different conceptions of the good to promote what they find personally valuable. Furthermore, there is a necessary tradeoff between the interests of the wealthiest and other groups in the population, and equal access to the political arena ensures that one group's interests are not structurally underrepresented. Finally, I showed that because access to the political system gives individuals the means to coercively enforce their wealth accumulation, we cannot justifiably base political access merely on the wealth of individuals.

The limitarian system this thesis defended would ensure political equality by taking away the means of the wealthiest that give them unequal access to the political domain. In other words, such a system would take away all wealth above a certain amount, making it unviable, even for the wealthiest, to spend significant amounts of wealth on political power. Although this does not commit limitarianism to redistributive policies like poverty-relieving programs, it would take away the means for the wealthiest to impede such policies. Therefore, the main aim of the limitarian doctrine defended in this thesis is to ensure that wealth accumulation cannot become a tool for the richest to impose a certain distribution of the benefits and burdens of social cooperation.<sup>113</sup>

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<sup>113</sup> Rawls, 2009: 30-31.

In chapters two and three I argued why this goal of political equality is valuable even though it could entail leveling down the total amount of wealth in a society and infringing upon the private property rights of the wealthiest. I showed that proponents of the leveling down objection are wrong to dismiss the values of fairness and equality because these values are necessary to enhance the quality of life of citizens for justifiable reasons. In order to show this I first used empirical evidence to demonstrate that inequality does in fact affect the welfare (the quality of life) of a society. I then argued that we have valid moral reasons to value wealth equality in itself to some extent. In order to defend this argument I showed that wealth has an intrinsic social aspect. In other words, the reason that wealth is valuable for an individual is that it affects other individuals; for example, the possession of wealth excludes others from its use. This exclusion and distribution of the entitlement to wealth can be done in a democratic way through accountability and reciprocity.<sup>114</sup> However, when wealth inequality reaches a certain threshold, the wealthiest can protect their entitlement to their riches without being accountable to other citizens, therefore violating the political equality and the entitlement of other citizens. Mere redistribution of wealth does not create accountability and leaves the poorest at the mercy of the richest.

In the third chapter I explained why the violation of private property rights by a limitarian state cannot count against the implementation of limitarian policies that would promote political equality. Such an argument against limitarianism comes from entitlement theorists who base the legitimacy of a political system on whether it came about without violating the rights, like private property rights, of those affected. One of the most prevalent entitlement theories is libertarianism, which argues that only a capitalist society is legitimate because it is able to protect and enforce private property rights without violating them.<sup>115</sup> However, I argued that the current conception of property rights on which libertarianism bases the legitimation of state coercion is itself a product of the state. This understanding of private property rights as a means to legitimate the political system is problematic because it makes our understanding resistant to rational revision. In other words, because we understand private property as a way to justify state coercion, we are unable to see that it is actually a product of

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<sup>114</sup> Ypi, 2011: 99-103.

<sup>115</sup> Rossi and Argenton, 2016: 1-2, 5-6.

state coercion. This means that we cannot use the concept of private property to discredit a limitarian system. Furthermore, political equality would enable us to revise our conception of property.

Before ending this thesis, it is important to state that the limitarianism it defends is merely a partial account of distributive or social justice. Because limitarianism only focuses on problems created by an extreme accumulation of wealth, it does not provide a system of how to distribute goods below the threshold. Furthermore, limitarianism does not provide a solution for all forms of political inequality. Because the limitarian state, as it is presented in this thesis, only focuses on the question of wealth distribution, it cannot provide an answer for political inequalities that arises from something other than economic inequality. It does not tackle unequal political access that stems from, for example, racism or sexism. While the limitarian doctrine I presented cannot resolve those problems, it can still be a valuable part of a broader distributive doctrine.

Furthermore, there are still a significant number of questions relating to limitarianism that must be answered by further research. First, there should be more research on the economic impact of limitarian policies; we should investigate whether limitarianism would have a positive or negative impact on economic growth. But even if this doctrine has a negative effect on growth, the question remains of whether this is problematic. There are also questions about the feasibility and the scope of limitarianism, such as whether limitarian policies would be successful were they applied at the national level, at the European/continental level, or only at the international level. Applying limitarian policies at the national level could create an incentive for the richest to move their wealth to another country. This side effect of nationally implemented limitarian policies would have a prohibitively high impact on the overall wealth and tax revenues of a country. But applying limitarian policies at the international level raises questions of feasibility and whether nations are willing to cooperate in such comprehensive wealth policies. Furthermore, it could be completely utopian to think that countries that already violate human rights and political equality would be willing to limit wealth inequalities for the sake of democratic values. Another important question relates to the precise threshold of wealth. When do wealth inequalities spill over into politics and should be limited? It is possible

that richer western countries with higher living costs would set the threshold higher than poorer developing countries, but this could create an incentive for wealthy individuals to move their wealth to richer countries and avoid taxation. Additionally, it is not clear what kind of taxation would be needed on which goods and whether a wealth tax would be enough, or whether we would also need to tax capital transfers. These are all relevant questions that need more empirical and normative research to enrich the still-young limitarian doctrine. Finally, and perhaps most importantly, if we want to implement limitarian policies we will also need political will, which currently seems to be lacking.

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