I

Overview of the Argument for Marxian Liberalism

Marxian Liberalism is a theory of social justice that results from combining certain liberal beliefs, most importantly, that people have a natural right to liberty understood as a right to be free from unwanted coercion, with some Marxian beliefs, most importantly, that private property is coercive. Because Marxian Liberalism aims to protect people from both the normal forms of coercion and the subtler structural coercion of private property, it calls for a society that is *as free as possible*. Because it defines justice historically, as what can be required of people in light of their changing human nature, it calls for a society that is *as just as possible*.

A crucial result of combining the right to liberty with the belief that private property is coercive is that *on liberal grounds*, to be justified, a right to private property must be consented to by all affected by it, which means by all present and future humans. Consequently, consent must be *theoretical*, not a matter of asking actual people to sign on the dotted line, and I shall explain why theoretical consent is satisfactory in this context (see Section 3.3). To seek theoretical

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consent is to appeal to what, in the philosophical tradition, is called a *social contract*. To determine what sort of right to private property would receive this theoretical consent, I deploy an imaginary contracting situation modeled on John Rawls's original position and veil of ignorance, but with a special difference: The knowledge that the parties in this original position possess includes certain liberal and certain Marxian beliefs. I contend that the parties in this Marxian-Liberal original position will agree to a right to property limited by a strongly egalitarian requirement, namely, Rawls's *difference principle*. (I lay out Rawls's theory of justice in Section 2.2.)

Marxian Liberalism should not be confused with Left-Libertarianism. (I reserve the term "libertarian" *tout court* for the generally rightist view that the natural right to liberty entails a right to property limited only by other people's like rights to liberty and property, and thus which justifies a virtually unlimited free market capitalist economic system.) Left-Libertarians start from two independent moral principles, first, that individual human beings own themselves and, second, that all humans own the world.[1] Marxian Liberalism makes neither claim, though possession of the right to liberty effectively amounts to individual self-ownership.[2] For reasons that will emerge in what follows, I believe that ownership and its rights should be derivative in a theory of justice rather than foundational. The authors of a recent defense of Left-Libertarianism hold that "Left-libertarianism seems promising because it recognizes both strong individual rights of liberty . . . and also grounds a strong demand for some kind of material equality."[3] Marxian

[1]Peter Vallentyne, Hillel Steiner, and Michael Otsuka, "Why Left-Libertarianism Is Not Incoherent, Indeterminate, or Irrelevant: A Reply to Fried," *Philosophy & Public Affairs* 33, no. 2 (2005): 201; on the independence of the two basic principles, see pp. 208–210.

[2]Locke appears to infer self-ownership from the right to liberty, and uses it as part of his argument for the right to own property for consumption (*ST*, v:27). Kant rejects self-ownership, holding that only things, and not persons, can be owned. He argues directly from the right to liberty to the right to property (*MM*, 41, 56). See Sections 4.1 and 4.2, below.

[3]Vallentyne et al., "Why Left-Libertarianism Is Not Incoherent," 201.

Liberalism seems promising for the same reasons, plus it has the virtue of being simpler, since it starts with one moral principle – the right to liberty – rather than two.

Marxian Liberalism takes justice to be a historical notion, one whose requirements change over history. This is not a form of historical relativism. Justice has a timeless meaning: *It calls for the maximum provision for the interests of others that can reasonably be morally required of people given human nature*. However, since Marxism sees human nature as changing in history, the content of justice changes historically. For the most part, I shall consider what justice requires now and for the foreseeable future. Along the way, I will speculate about what, given Marx's view of where history (and thus human nature) is headed, justice will require in the future.

Readers familiar with G. A. Cohen's important book, *Rescuing Justice and Equality* (*RJE*), will be struck by the fact that the definition given of justice in the previous paragraph includes reference to historically changeable facts about human nature; whereas Cohen, in his attempt to rescue justice from John Rawls, argues that fundamental moral principles are independent of facts. Cohen may be right about fundamental moral principles in general (though I shall press an alternative view in Section 3.2), but he is missing something important about justice in particular.

Rawls appeals to facts (about human nature, among other things) in identifying the principles of justice with what people would choose in the original position, knowing facts about human psychology (*TJ*, 399). But Cohen argues that Rawls has misidentified "the question 'What is justice?' with the question 'What principles should we adopt to regulate our affairs?' " (*RJE*, 269, see also 267, 350–351). Cohen recognizes that rules to regulate our affairs are rules that we can require actual people to live up to, and he grants such rules do properly take account of facts about human nature (*RJE*, 308–309, 342–343, *et alia*). But he thinks that such rules follow from justice; they are not equivalent to justice. This is a mistake.

Justice is a special kind of value that spells out what can be required of people. Thus, by Cohen's own argument, it must take

account of facts about human nature. Both Immanuel Kant and John Stuart Mill, for example, held it to be distinctive of justice that it can be required, even coerced, from people. Kant held that what distinguishes justice (his word is *Recht*, usually translated as "right," but equivalent to "justice") from other aspects of morality, such as virtue, is precisely that justice can be coerced. Actually, Kant held it to be a tautology that justice could be forced (*MM*, 25). And Mill wrote that "the idea of legal constraint is . . . the generating idea of the notion of justice."[4] This does not mean that justice must be forced, or that it is always wise to force it. It is however what we are entitled to require, that is, at very least, what we may insist upon from our fellows, regardless of how we make this insistence stick. Thus, I include in the definition of justice both that it can be required, and that it must be reasonable in light of facts about human nature.

As to the fundamental moral principles that Cohen says are fact free, and thus which we cannot require of people, they are commonly called *ideals*. And they are normally distinguished from duties, that is, requirements. Extreme heroism and extreme generosity are ideals, but not duties. We are praised if we live up to them, but not blamed if we fail to. Blameworthiness depends on facts about human nature.[5] Thus, justice is not an ideal. It can be required and so it depends on facts about human nature. Does this mean that the notion of *ideal justice* is a contradiction in terms? Not quite. It certainly means that ideal justice is not justice now, in that it is not now required. It is what would be required if human nature were ideal, or at least as good as could be expected, or what will be required when human nature improves. This is why, as we shall see in Section 5.5, Marxian Liberalism can accept Cohen's (fundamental, fact-free, thus) ideal justice as what corresponds to the

[4]John Stuart Mill, *Utilitarianism* (Indianapolis: Hackett, 1979), 47.

[5]Interestingly, Cohen recognizes that the question of blameworthiness (which is related to, though not identical to, that of what is our duty) depends on facts about human nature (*RJE*, 140n55).

improved human nature that Marxists believe humans will one day have.

Turn now to the notion that private property is coercive. As we shall see, Marx meant something quite specific and controversial by this idea. He was referring particularly to private ownership of means of production by a handful of capitalists. At this point, however, we can make use of a more general and less controversial version of the claim: Private property (whether of means of production or not) is coercive in the following ways: It is a constraint on other people's freedom. It excludes others from the free use of something in the world. Also, a right to private property is an enforceable right, thus it is backed up by coercion. Moreover, the exclusion of others from using something may be a tool of coercion itself. If, say, one person owns what another needs to survive, the owner will be able to coerce the nonowner to do his bidding. And where – as is now just about everywhere the case – virtually everything is owned by someone, owners will surely own what nonowners need to survive. Thus they will be able to coerce them.

A right to liberty is also an enforceable right, so it justifies coercion that is necessary to protect people's liberty. Beyond that, however, the right prohibits any other coercion except that which people consent to. If it seems odd to think that people would ever genuinely consent to coercion, note that we do it all the time, and it is often quite a rational thing to do. For example, when I sign a contract to rent an apartment, I subject myself to coercion by the state in the event that I refuse to pay my rent. This enables me to offer a guarantee to the landlord that my mere promise to pay could never have provided. Consequently, that I consent to coercion adds to my ability to realize my own purposes. Likewise, though private property may be coercive, it may still be rational to agree to it if it adds to people's ability to act on their purposes.

It is part of Marxian Liberalism that private property (subject to certain constraints that will be specified in due course) does – at least in the current historical era – enhance people's ability to act on their purposes. Indeed, Marxian Liberalism holds that a capitalist system allowing private ownership of means of production

(likewise subject to certain constraints) enhances people's ability to act on their purposes, and thus would be rational for people to consent to. But this poses a difficult theoretical problem. Those who may be coerced by private property include all present and future humans. Not only my neighbors, but people on the other side of the world (who may travel here or want to invest here) will be subject to coercion because of my property. And not only my contemporaries, but people who do not live now but who will live in the future may likewise be subject to coercion because of my property. Consequently, for a system of private property to be morally legitimate it must be consented to by *everyone who lives now or who will live in the foreseeable future*!

Needless to say, such consent would be impossible to get if we think of it as a matter of asking actual people to say whether they consent or do not. We can't ask all actual people whether they consent, and we surely can't ask future people if they do. Moreover, a right to private property that depends on getting the actual consent of every new person who turns up would be pointless. A right is a guarantee of free action. But a guarantee of free action is only valuable to an actor if she knows that she has the guarantee before she acts on it. The various benefits that a right to property may be thought to bring with it, for example, the incentive to improve bare natural resources, depend on knowing before I invest in such improvement that I will be able to benefit from the improvement. Consequently, a right to property that depends on the consent of every new person who appears in the world is as good as no right at all.

If property is to be morally legitimate, consent to it must be *theoretical*, that is, a matter of what it would be rational for people to consent to, not a matter of asking actual people to sign on the dotted line. Thus, rights to private property will have to be the object of a theoretical social contract, just the sort of contract that philosophers from Hobbes and Locke to Kant and Rawls have appealed to, to justify the existence of the state or to determine the principles of justice to which a state must conform.

I will set about to determine what sort of right to private property would receive the theoretical consent of everyone affected by it.[6] Notice that the question is not simply whether the right to property would be theoretically consented to or not. The question is *what sort of right* to private property – with what built-in limits if any – would be consented to. To address this question, I will deploy an imaginary contracting situation modeled on John Rawls's *original position*. Though the contracting situation is modeled on Rawls's social contract theory of justice, the contractarianism that underlies Marxian Liberalism is Lockean rather than Rawlsian. As in Locke's theory, Marxian Liberalism's appeal to the social contract is morally required by the prior existence of the natural right to liberty, rather than, as in Rawls, an exercise aimed at determining all moral rights from scratch.

Rawls's original position is the philosopher's equivalent of what a scientist would call a "thought experiment." Thought experiments – where inferences are made about the behavior of entities under imaginary or idealized, or even physically impossible, conditions – have been used successfully by scientists from Galileo (who imagined balls rolling down frictionless planes, which is impossible) to Einstein (who imagined observers traveling at the speed of light, which he thought was impossible). Such thought experiments have been crucial to the undeniable progress of modern science.

In the Rawlsian thought experiment, we imagine a group of individuals who represent us, and who are to choose unanimously the principles of justice to govern their shared existence. The parties in this imagined original position are taken to be rational individuals who have knowledge of general matters (e.g., history, psychology,

[6]This assumes that, even if human nature changes, the kinds of basic interests that people have regarding property will remain the same. So, for example, if people become more altruistic, they will still have an interest in having secure possessions even if only to give them away. Charity is not possible without something like ownership.

economics), but are otherwise behind a *veil of ignorance* that denies them knowledge of their specific identity and situation. Since they do not know facts about their own situations, they cannot tailor principles to their individual interests. None can insist on principles that advance his or her interests at the expense of those of others. Accordingly, they choose under fair conditions, and we are entitled to believe that the principles it would be rational for them to choose are just: they serve the interests of all alike, and justify no exploitation or coercion of anyone simply for the benefit of others.

The original position that I shall make use of is like this, but with a special difference: The general knowledge that the parties have in this original position includes certain Marxian and liberal factual beliefs. (The qualification "factual" is important here, since it makes clear that the Marxian and liberal beliefs in the Marxian-Liberal original position do not alter the fact that Marxian Liberalism is based on a single moral principle – the natural right to liberty.) It is possible that we would reach a point in history at which these Marxian and liberal factual beliefs became part of what is widely recognized as general knowledge – in the way that certain beliefs about how markets lead to efficiency, or about how freedom of the press improves government performance, are part of general knowledge today. In that case, they would be part of the general knowledge possessed by the parties in Rawls's original position.[7] To get to the Marxian-Liberal original position with the least violence to

[7]In Rawls's *Political Liberalism* (*PL*), he puts forth his theory of justice as a freestanding political conception, meaning that it is not based upon any of the comprehensive philosophical or moral or religious views that different citizens may hold. He contends that this is necessary if a conception of justice is to garner willing morally grounded allegiance from the citizens of a free society, since people in free societies characteristically hold differing and incompatible comprehensive doctrines. Marxian Liberalism is, to be sure, a comprehensive doctrine. But, if we might genuinely believe that its underlying beliefs could become general knowledge one day, then it – or at least significant parts of it – could become a freestanding political conception. To those readers, then, who are drawn to Marxian Liberalism but distressed that it is not a freestanding conception of political justice, I say: Be patient.

Rawls's version, then, we need only assume that this point in history has been reached, and so I shall. With such general knowledge, I will argue that the parties in the Marxian-Liberal original position will find it rational to agree to a right to property limited by a strongly egalitarian requirement, namely, Rawls's *difference principle*.

The difference principle holds that inequality in an economic distribution must be the least inequality necessary to maximize the life-time share of the worst-off parties in the distribution (*TJ*, 266). Rawls says that "the difference principle is a strongly egalitarian conception in the sense that unless there is a distribution that makes both [the more advantaged and the less advantaged] persons better off . . . , an equal distribution is to be preferred" (*TJ*, 65–66). It is also strongly egalitarian because reducing inequality beyond what the difference principle allows would require reducing the share of the worst-off party. Thus, the difference principle calls for the greatest amount of equality possible without making the poor even poorer. I will argue that the Marxian-Liberal original position provides a deduction of the difference principle, something that Rawls aimed for but did not think he accomplished in *A Theory of Justice*.[8]

In putting forth the difference principle, Marxian Liberalism joins Rawls in holding that inequality is just if it works to maximize the share of the worst-off group. And it joins Rawls as well in holding that inequality does this mainly when greater-than-equal rewards serve as incentives that encourage more productive activity, thereby increasing the size of the pie for everyone. As a justification for inequality, however, this idea has been attacked from the right (by libertarian philosopher Jan Narveson) and from the left (by

[8] "One should note that acceptance of [the principles of justice in the original position] is not conjectured as a psychological law or probability. Ideally anyway, I should like to show that their acknowledgment is the only choice consistent with the full description of the original position. The argument aims eventually to be strictly deductive. . . . Unhappily the reasoning I shall give will fall far short of this, since it is highly intuitive throughout" (*TJ*, 104–105).

egalitarian philosopher G. A. Cohen). I shall show that Marxian Liberalism's use of the difference principle can – with respect to the current historical era – be defended against these attacks; and – with respect to the future – can absorb them.

I shall contend as well that parties in the Marxian-Liberal original position will agree to the existence of a state whose authority is limited to defending the natural right to liberty by protecting the basic liberties, assuring that the economy conforms to the difference principle, and prohibiting unwanted coercion not needed to perform these two functions.

Before trying to join them, it will be useful to make some general remarks about liberalism and Marxism as they will be understood here. I take *liberalism* to be the general doctrine that sane adult human beings should be free *in the sense of free from coercion that would block their ability to act on the choices they make*. This qualification is important for a number of reasons. First of all, it shows that the freedom crucial to liberalism is political or social freedom, the absence of coercion, the space that humans give each other to act as they see fit. This is the freedom that is called *liberty*.

Liberty is not the freedom at issue in the famous philosophical debates about free will versus determinism. *Free will* is a matter of whether people can be said really to make choices which are not determined by psychological or physical forces outside of their control. But whether or not people can be said to make choices that are free in this way, they can be either free to act on the choices they make, or blocked by others from so acting. They can have or lack liberty. In spite of thinking that human beings' choices were fully determined by natural causes, philosophers such as Thomas Hobbes and Benedict Spinoza believed in the importance of liberty. This is the freedom that liberalism aims to protect.

The qualification ("free *in the sense of free from coercion that would block their ability to act on the choices they make*") is important in another respect. It shows that liberty is the ordinary freedom of ordinary people. It is not an ideal of perfect freedom, such as one might have who acts with perfect rationality or perfect information about the alternatives before her, or who acts with full awareness

of the motives that arise from her particular psychology or from the culture in which she has been reared. To be sure, a liberal society will be one in which information will flow freely, ideological and traditional beliefs will be subject to lively questioning, and reflection on the influence of psychology and culture will be encouraged. Nonetheless, because it aims to protect the ordinary freedom of ordinary people, it leaves it up to individuals how they make use of this information and participate in this questioning and reflection. Accordingly, liberalism cannot be used to justify "re-educating" people to make them more free, nor can it be used to justify – in Rousseau's ominous words – forcing people to be free.

This is not to say that liberalism defends every exercise of liberty or every human's right to exercise liberty. As already noted, liberalism licenses the use of coercion to prevent acts that constrain other people's ability to act on their equal right to liberty. Moreover, insane people and children will have to be constrained in their ability to act on their choices because they fall below the ordinary ability to identify their purposes and thus may act, unknowingly, against their purposes. Their liberty will be restricted, not because they cannot exercise it, but because it is not really a value for them.

Important for us, here, is that liberalism holds that we have a general right to be free from unwanted coercion that is not tied to a particular view of what constitutes coercion. In this regard, it is different from *libertarianism*, which defines coercion very narrowly as primarily physical aggression (see, for example, *ASU*, 32). I say "primarily" here because libertarians generally include as coercion fraud, since deception functions to undermine and subvert people's ordinary choices.[9] And some libertarians include psychological coercion in its grosser forms as coercion as well.

[9]Nozick's prohibition on physical aggression is based on the Kantian prohibition against using other persons for one's ends without their consent; but that will rule out fraud as well since it is a means of using others without their consent. And Narveson's prohibition on coercion is based on a presumed agreement between individuals; and that will rule out fraud since it presupposes that individuals are bound to honor their agreements.

By contrast, liberalism is in principle open to recognizing, and thus adapting itself to, new forms of coercion. This is one way to understand the difference between what liberalism meant in the nineteenth century and what it came to mean in the twentieth. That difference is quite striking, and the cause of no small amount of confusion. Nineteenth-century liberals defended the idea of a minimal state – sometimes called the "nightwatchman state" – that does little more than protect people from domestic and international threats of violence to their bodies and property. By contrast, twentieth-century liberals have called for a larger and more active state that, in addition to protecting against domestic and international violence, protects people against poverty and unemployment and racism and sexism. We can understand this development as a change in the understanding of what is coercive. Where nineteenth-century liberals were effectively libertarian in their narrow understanding of coercion, twentieth-century liberals came to see a wider range of conditions as coercive. Interestingly, this means that both nineteenth- and twentieth-century liberals are genuine liberals, that is, genuinely interested in protecting liberty. Where they differ is over what the threat is that needs protecting against.

Among the liberal beliefs that I shall take to be general knowledge in the Marxian-Liberal original position are that people have an interest in the liberty protected by the right to liberty. That is, they have an interest in protecting and expanding their ability to act on their choices. Also part of their general knowledge is that private property is a necessary support of individual liberty; and that a state is necessary (for the foreseeable future at least) to protect both liberty and property. The Marxian beliefs that I shall take to be general knowledge in the Marxian-Liberal original position are a set of beliefs which together amount to a *theory of the conditions of liberty*.

It is common, however, to think of Marxism as an enemy of liberty. I believe that this comes from taking Marxism as equivalent to communism, and thus as equivalent to the profoundly illiberal – and now mostly failed – attempts to establish communist societies in the twentieth century. But, even a cursory look at Marx's works shows that it is a mistake to identify Marxism with the oppressive

communist regimes in Russia and Eastern Europe. Marx's work is about a lot more than communism or socialism. Of the thousands and thousands of pages that Marx and his collaborator Friedrich Engels wrote, only a small number are devoted to discussing socialism or communism. By far the greatest number are devoted to analyzing capitalism, and after that, to Marx's theory of history, called "historical materialism." That Marx has little to say about socialism and communism should be no surprise. When Marx wrote, there was no communist state nor had there ever been one. The examples of socialism that existed were few and small and short-lived.

By and large, Marx reached socialism and communism by putting a negative sign next to the feature of capitalism that he took to be the source of its unjust and oppressive nature, namely, private ownership of the means of production. By "means of production," Marx meant factories and machines and raw materials. Since property in means of production gave its owners control over the opportunities for gainful employment, it gave them leverage over the great majority of humanity who did not own means of production. Those people would have to work for the owners – the capitalists – in order to gain a living, which is to say, in order to live at all. Here is the special coerciveness that Marx saw in private ownership of means of production.

Rather than Marx's recommendation of socialism or communism as the remedy for capitalism showing him to be an enemy of liberty, Marx made this recommendation precisely because of his commitment to liberty. I shall discuss Marx's theory in greater detail shortly (Section 2.1). Here I want to point out that Marx opposed private ownership precisely because he took it to thwart liberty. Peter Stillman, for example, writes that "it is clear that Marx criticizes capitalist private property precisely because it limits individuality, individual development and freedom."[10] Though Marx thought

[10]Peter G. Stillman, "Property, Freedom and Individuality in Hegel's and Marx's Political Thought," in *NOMOS XXII: Property*, eds. J. R. Pennock and J. W. Chapman (New York: New York University Press, 1980), 153.

that individual liberty (or, as he called it, "personal freedom") had social conditions, he clearly endorsed its value. In *The German Ideology*, for example, he (along with Engels) wrote: "Only in community [with others has each] individual the means of cultivating his gifts in all directions; only in the community, therefore, is personal freedom possible" (*MER*, 197). And Marx recognized the importance of liberal individual rights. In "On the Jewish Question," he wrote: "Political emancipation [exemplified by the liberal rights granted in the French *Declaration of the Rights of Man and the Citizen*, and in the American Revolutionary-era state constitutions of Pennsylvania and New Hampshire] certainly represents a great progress" (*MER*, 35, 40–44). Even if liberalism sometimes serves capitalism ideologically by hiding its coerciveness, that does not imply that liberalism is wholly false or regressive. Ideology must be in some measure progressive to work as ideology. Otherwise, it could not put a positive face on existing injustice.

It was because he took private ownership of means of production to be coercive, that Marx sought to abolish it. Abolishing private ownership of means of production could be done in two ways, by replacing private ownership with public (that is, state) ownership, and by replacing private ownership with direct (that is, stateless) ownership by the workers. Marx and Engels thought that communism would start with state ownership and become direct ownership as the state withered away.[11] Presumably, these phases correspond to the two principles of economic distribution that Marx discusses in *Critique of the Gotha Program* (*MER*, 530–531; see Sections 2.5, 6.5, below).[12] Later writers have called the first phase *socialism* and the higher phase *communism* (see, for example, *LHPP*, 359, 366). Using this nomenclature, we can say that the states that

[11] "When, in the course of development, class distinctions have disappeared, and all production has been concentrated in the hands of a vast association of the whole nation, the public power will lose its political character. Political power, properly so called, is merely the organized power of one class for oppressing another" (Karl Marx and Friedrich Engels, *Manifesto of the Communist Party*, Chapter 2, *MER*, 490).
[12] See note 22, below, and accompanying text.

have called themselves communist are (or were) socialist states aspiring to communism.

The feasibility of both socialism and communism was a completely speculative matter in Marx's time. They represented ways of saying *no* to capitalism, not ways of organizing society on a large scale that had been shown to be satisfactory and workable over time. Indeed, there are good Marxian grounds for doubting that socialist or communist states could be liberating at all. If ownership of means of production is the main source of coercive power in a society, Marxists above all should be wary of placing that ownership in the hands of any single institution, much less the state with its police and its armies.

Interestingly, there are good Marxian grounds for believing that capitalist states will better preserve liberty than socialist or communist states: Private, and thus (compared to socialism and communism) relatively decentralized, ownership of means of production is the material basis for the freedoms that have generally characterized capitalist societies and that have been generally absent from communist and socialist ones. Much the way Madison thought that a multiplicity of different religious groups – each with a strong interest in preventing any other from dominating it – would work to protect religious freedom from the state,[13] the existence of a multiplicity of competing centers of economic power works to protect individual liberty from the state. For this reason, we cannot assume that granting ownership of means of production to a modern liberal democratic state will protect against the abuse of the enormous coercive power that that would represent. On Marxian grounds, the liberal democratic states that we know are as free as

[13] "Freedom of religion . . . arises from that multiplicity of sects, which pervades America, and which is the best and only security for religious liberty in any society. For where there is such a variety of sects, there cannot be a majority of any one sect to oppress and persecute the rest." James Madison, spoken at the Virginia convention to ratify the Constitution, June 12, 1788. See *The Founders' Constitution*, vol. 5, Amendment I (Religion), Document 49, http://press-pubs.uchicago.edu/founders/documents/amendI_religions49.html.

they are because of capitalism's relatively decentralized ownership of property.

Crucial for us are two points: First, that Marx's recommendation of socialism and communism is based on the threat to liberty that he perceived in capitalists' ownership of the means of production. And second, that that recommendation is separable from the critique of capitalism that led Marx to it. The second point means that, though the failure of the communist states in Russia and Eastern Europe shows that establishing a truly liberating socialism or communism – at least in the current historical era – is doubtful in the extreme, that in no way refutes Marx's diagnosis of capitalism. It simply leaves that diagnosis in need of a remedy. Marxian Liberalism aims to be such a remedy.

As such a remedy, Marxian Liberalism recommends a kind of liberal Marxism. That is, a Marxism in which control over their lives by free men and women takes precedence over the particular way in which production is organized. Where Marx does discuss socialism or communism, his emphasis is often less on the way production will be organized, than on the fact that it will be consciously controlled by the workers themselves. For example, anticipating communism in *Capital*, Marx wrote: "The life-process of society, which is based on the process of material production, does not strip off its mystical veil until it is treated as production by freely associated men" (*C*, I, 80).

Note that this view leaves open the question of how free people will organize the "the life-process of society" that they consciously control. I shall contend that – for Marxian, liberal, and historical reasons – in the present and for the foreseeable future, free people will adopt a form of capitalism subject to certain important constraints needed to preserve and maximize liberty.

This will be the outcome of the Marxian-Liberal original position for reasons such as the following. First of all, among the Marxian beliefs that inform the knowledge of the parties in the Marxian-Liberal original position, I include the belief that increasing material productivity is crucial to increasing people's liberty. Marx wrote that freedom in the realm of productive labor consists of "associated

producers . . . rationally regulating their interchange with Nature, bringing it under common control, instead of being ruled by it as by the blind forces of Nature; and achieving this *with the least expenditure of energy*" (*C*, III, 820; my emphasis). Marx saw freedom as resulting from increasing human beings' control over nature so that they are able to satisfy their wants with the least expenditure of human energy. Increasing humans' control over nature so that wants are satisfied with the least expenditure of their energy amounts to increasing the material productivity of labor. As their wants are more fully and more easily satisfied, the scope of people's ability to act successfully on their choices grows apace.

But material productivity does not only contribute to freedom by increasing our ability to satisfy our wants. Marx held that increasing material productivity also brings freedom by reducing required labor (*C*, III, 820). It brings about conditions under which more and more of people's labor can be done because they want to do it, rather than because they must. Thus, labor itself becomes increasingly an object of choice rather than compulsion.

Marx acknowledged the unprecedented power of capitalism to increase material productivity in the *Communist Manifesto*, where, with Engels, he wrote that capitalism,

> during its rule of scarce one hundred years, has created more massive and more colossal productive forces than have all the preceding generations together. Subjection of Nature's forces to man, machinery, application of chemistry to industry and agriculture, steam-navigation, railways, electric telegraphs, clearing of whole continents for cultivation, canalization of rivers, whole populations conjured out of the ground – what earlier century had even a presentiment that such productive forces slumbered in the lap of social labour? (*MER*, 477)[14]

[14]Writes Nagel, "What capitalism produces is wonderful." Thomas Nagel, *Equality and Partiality* (Oxford: Oxford University Press, 1991), 93.

And Marx took capitalism to be progressive precisely because its enormous productivity made possible a freer society: "It is one of the civilizing aspects of capital that it enforces [the extraction of] surplus-labour in a manner and under conditions which are more advantageous to the development of the productive forces, social relations, and the creation of the elements for a new and higher form than under the preceding forms of slavery and serfdom, etc." (*C*, III, 819).

What Marx saw in the nineteenth century has only speeded up in the twentieth. International economist Nariman Behravesh writes:

> Worldwide real per capita GDP [gross domestic product] rose about fivefold in the last [the twentieth] century – no other century has come even close. Other measures of human development also improved dramatically, including longevity, infant death rates, the incidence of diseases and accidental deaths, the workweek, the quality of living conditions, the level of education, racial and sexual equality, and the environment. Unfortunately, not everyone in the world has benefited from these very positive trends.[15]

As for the cause of these improvements, Behravesh writes:

> Notwithstanding their flaws, free markets have provided far and away the most successful means of delivering sustained improvement in our lives. Command-and-control systems have neither provided the incentives nor been flexible enough to respond to rapid changes in market conditions and technologies.[16]

Though not everyone has benefited from these improvements, and income inequality has not consistently narrowed, poverty levels have fallen:

[15]Nariman Behravesh, *Spin-Free Economics: A No-Nonsense Guide to Today's Global Economic Debates* (New York: McGraw-Hill, 2009), 13.
[16]Behravesh, *Spin-Free Economics*, 14.

> In 1900, roughly half of American households earned incomes that would have classified them as poor by today's standards. In the early twenty-first century, about 10 to 15 percent of households fall into this category, which is a vast improvement, but still too high.[17]

Bear in mind that poverty statistics are about income. Such statistics do not necessarily reflect people's actual material standard of living, which is a matter of what they can buy with their income. In this respect, poor people in America today are considerably better off materially than poor people were even a few decades ago. For example, the US Department of Energy reports that, in 2009, 82 percent of households below the poverty line had air conditioning. As of 2001, virtually everyone in the United States had a refrigerator (99.9 percent of households), a cooking appliance (99.7 percent), and a color TV (98.9 percent). And even in the lowest income bracket, households earning less than $15,000 a year, 25 percent had a large-screen TV, 64 percent had cable or satellite TV, 54 percent had a stereo, 57 percent had a clothes washer, 45 percent had a clothes dryer, and 75 percent had a microwave oven.[18]

The stagnant economies that characterized the Soviet Union and its Warsaw Pact allies in Eastern Europe give us powerful historical evidence that socialism or communism cannot duplicate capitalism's ability to increase material productivity. The adoption of capitalism by the People's Republic of China is testimony that even communists have recognized this fact. The enormous increase in growth and in people's standard of living that

[17]Behravesh, *Spin-Free Economics*, 15.

[18]Department of Energy, Energy Information Administration, Residential Energy Consumption Survey, RECS 2009 – Release date: August 19, 2011, at: http://www.eia.gov/consumption/residential/reports/air_conditioning09.cfm (accessed November 7, 2011); and "The Effect of Income on Appliances in US Households" based on information from the 2001 Residential Energy Consumption Survey (RECS), conducted by the Energy Information Administration. Released: January 1, 2004. Available at: http://www.eia.gov/emeu/recs/appliances/appliances.html (accessed November 7, 2011).

China's opening to capitalism has brought with it confirms the fact.[19]

From the failure of communism in Russia and the countries of Eastern Europe, there is yet another lesson to be learned. Communism did succeed in bringing those countries, Russia especially, into the industrial era. What it could not do is make the next great leap forward to a modern technological and computerized economy. Top-down command economies could mobilize the labor needed to produce iron and steel and fuel, to build roads and railways, and to work on factory assembly lines. They could not mobilize the labor needed for a modern technological and computerized economy, however, for the simple reason that people who do that kind of labor need and insist on more autonomy than did earlier industrial laborers. Modern technological and computerized economy is inherently in conflict with top-down command organization. Communism was not able to give up this type of organization in the face of the growing demands of its most advanced workers for more autonomy.

These facts explain how, in spite of the remarkable growth that communism was able to achieve in its early years, it was not able finally to compete with late capitalist societies in keeping the loyalty and commitment of its workers. And that tells us something else important about capitalism. Marx criticized capitalism for treating the worker as an appendage to a machine and thus stunting and crippling him. However, this applied to the early form of industrial capitalism that Marx saw in the nineteenth century. Later capitalism, by contrast, does not seem to stunt and cripple the worker. Predictions of capitalism deskilling workers, reducing them to ever simpler and more easily replaceable cogs in the productive machine,[20] have not been borne out in the advanced capitalist states.

[19] "By some estimates, the recent rapid economic growth in China and India has pulled nearly half a billion people out of poverty" (Behravesh, *Spin-Free Economics*, 15).

[20] See, for example, Harry Braverman, *Labor and Monopoly Capital: The Degradation of Work in the Twentieth Century* (New York: Monthly Review Press, 1976).

Instead, we see demand for more autonomous workers, with broader educations, who are able to respond to changing circumstances and new challenges. These are the workers whose allegiance communism was not able to win. In spite of his criticisms of early capitalism, Marx foresaw this aspect of advanced capitalism. In *Capital*, he wrote:

> Modern Industry . . . compels society . . . to replace the detail-worker of today, crippled by life-long repetition of one and the same trivial occupation . . . , by the fully developed individual, fit for a variety of labours, ready to face any change of production, and to whom the different social functions he performs, are but so many modes of giving free scope to his own natural and acquired powers. (*C*, I, 488)

In short, the dehumanizing effects of labor under capitalism that Marx passionately criticized are not an objection to the advanced capitalism currently emerging around the globe.

The upshot of all this is the following: History and Marxian theory give us reasons for fearing that socialist and communist societies will be oppressive (at least in the current historical era and for the foreseeable future), and for believing that, in spite of their problems, capitalist societies will preserve individual liberty. And advanced capitalist societies will reduce the alienating and dehumanizing aspects of labor that characterized earlier phases of capitalist production. History also gives us reasons for doubting that socialist and communist societies can match capitalism's productivity, and thus its ability to produce the material conditions of freedom. I shall not try to prove all of these claims. Rather I take them as part of general knowledge and thus part of the knowledge possessed by parties in the Marxian-Liberal original position. For such reasons, *on Marxian grounds*, Marxian Liberalism will support the formation of a capitalist society – subject, I shall contend, to the requirements of the difference principle, as well as to limitations intended to protect individual liberty and political equality.

Note, here, that by a capitalist society, I do not mean a society in which every transaction is capitalist. Nor do I mean a society

characterized by every feature of capitalism. It should be clear, for example, that the capitalist society that Marxian Liberalism supports is one in which the state will do many things to keep inequalities within the range permitted by the difference principle, which, as we shall see, may even include acting to assure that ownership of productive resources is widely spread out in society. Likewise, it will act to prevent concentrations of economic wealth from getting so great that they undermine the right of all citizens to a roughly equal chance to influence political decisions.

Thus, I define capitalism for purposes of this book rather loosely. It represents a society in which most productive resources are privately owned by individuals or groups. It is an economic system in which competition for profit is the primary aim of the owners of productive resources, and in which workers can be laid off or fired if economic conditions warrant. Such a view of capitalism is compatible with extensive government involvement in the economy, with taxation and other policies aimed at redistribution, and with a substantial public sector. It is even arguably compatible with some redistributive schemes that others may identify as socialist, or at least as "market socialism," though not if this requires state ownership of productive resources or a largely planned economy.[21]

Marxian Liberalism takes justice to be a historical standard. Like Marx himself, Marxian Liberalism looks forward to a time when technology will produce all the goods that people need and want (when "the springs of cooperative wealth flow more abundantly"), and people will labor for the pleasure of it (when "labour has become . . . life's prime want"). At that point, the difference principle would give way to the so-called "communist" principle: "From each according to his ability, to each according to his needs" (*MER*, 531). The difference principle leads to the communist principle, when historical conditions are ripe, because the communist principle is a principle of complete equality. It is more than merely a

[21] See, for example, the interesting proposals in John E. Roemer, *A Future for Socialism* (Cambridge, MA: Harvard University Press, 1994), some of which might be compatible with what Marxian Liberalism takes to be a capitalist society.

call for equal shares (which would still be a form of the difference principle, if inequalities were no longer needed to maximize the worst-off shares). The equality called for by the communist principle is not equality of shares, but, rather, the equality of each person as the standard of what he or she gives and gets. This principle announces the end of private property's coerciveness because it makes what workers receive depend on what they need, rather than on the labor they give. Thus, under this principle, no one is forced to work in order to live.[22] Until the historical conditions of the communist principle arrive, however, capitalism constrained by the difference principle – and subject to political constraints needed to protect liberty – would make for the least possible coercion in the economy, and the greatest possible freedom.

In light of these last remarks, it might well be wondered why the doctrine here defended is called "Marxian Liberalism" rather than "Liberal Marxism." Though the latter label would not be wholly false, the former is chosen to highlight the idea that the theory here defended is a normative one, a theory of justice, an idea about how society should be organized. Moreover, it is a liberal theory of justice, one that holds that society should be organized to protect and promote individual liberty. Liberalism is modified by the adjective "Marxian," rather than vice versa, because Marxian theory informs this liberalism's conception of the conditions that must be achieved to protect and promote liberty. Marxian Liberalism is a form of liberalism, not of Marxism.

As I indicated above, what Marxian Liberalism mainly draws from Marxism is a set of beliefs that, together, can be called *a theory of the conditions of liberty*. That theory identifies private ownership of means of production as coercive; it does so by showing that private ownership of means of production exemplifies a mechanism of social coercion the recognition of which is one of Marx's great discoveries. I call this mechanism *structural coercion*: the way patterns of social behavior work to constrain people's choices beyond

[22]This is why Marx thought the state would no longer be necessary in communism.

the limits of nature or morality. Beyond the normal use of force to protect persons and property, structural coercion works without overt violence. For this reason, it tends to be invisible. The invisibility of structural coercion is the core of *ideology* in capitalism. By "ideology" is meant a set of beliefs whose overall effect is to hide the moral failings of a society. The invisibility of structural coercion functions ideologically because it hides the coerciveness of private ownership of means of production. Its result is that transactions in capitalism appear free because they are free of overt violence. Libertarian defenses of capitalism characteristically fall prey to this ideology. Seeing no special power in great property-holdings, they think that all that is necessary for justice is that transactions be free of violence or fraud.

As we shall see (in Chapter 4), some philosophers before Marx saw that property limited liberty, but they did not see it as coercive. I contend that it was Marx's *dereified* view of social phenomena that enabled him to see structural coercion for what it is. Marx saw that social institutions were nothing but patterns of human behavior. This idea had its roots in modern political philosophy. Hobbes, for example, saw that the commonwealth was the organization of people into a large artificial monster, which he called Leviathan. Marx extended this idea to apply as well to economic realities. Of capitalism, for example, he wrote, "capital is not a thing, but a social relation between persons" (*C*, I, 766). Because Marx saw both economic and political institutions as patterns of human behavior, he was able to go beyond the philosophers who saw that property was a *limitation* on liberty and see that those limitations were imposed by people on people. Thus they constituted *coercion*, rather than mere limitations.

Because structural coercion functions without overt violence and thus tends to be invisible, we need a way of measuring its presence. To do this, I will propose a *moral version of Marx's labor theory of value*. Unlike Marx's own labor theory of value, the moral version makes no claim to account for prices in capitalism. Nor, of course, does this view hold that there is some mystical substance called value produced by labor, or even (as Marx sometimes seems to hold)

"congealed labor" that *has* value. Its claim, rather, is a moral one, namely, that what is morally significant about economic systems is that they constitute arrangements in which people work for one another. Crucial then to the moral evaluation of competing economic systems are the proportions in which people work for one another. And the measure of those proportions is the amounts of labor that people exchange in society.

Since private property is coercive, inequality in the proportions in which people labor for each other is evidence of subjugation mediated by the economic system, which, because it is imposed by people on people, I call *social subjugation*. In light of the moral version of the labor theory of value, I shall contend that the difference principle is a principle for reducing social subjugation in the economic system to the minimum compatible with realizing capitalism's liberatory potential.

This means that Marxian Liberalism does not follow traditional liberalism in dividing the question of liberty (as a matter of political justice) from that of the distribution of goods (as a matter of economic justice). For Marxian Liberalism, the distribution of goods is a measure of forced labor, and the problem of economic justice is thus as much a problem of protecting liberty as is the problem of political justice.

In addition to structural force and the moral version of the labor theory of value, the Marxian theory of the conditions of liberty includes, as we saw above, a conception of the *material* conditions of freedom, namely, that freedom comes, not only from the elimination of coercion imposed by human beings on one another, but equally from the growth in material productivity that brings workers a higher standard of living and thus a greater ability to act on their own choices, and that ultimately frees workers from unwanted toil. Since this means that liberty is constrained by both social and material factors, I shall call this aspect of the Marxian theory of the conditions of liberty *the fungibility of material and social subjugation*. In light of this notion, I shall argue that the difference principle is a principle for reducing social *and* material subjugation to the minimum possible, and thus for maximizing liberty overall.

In sum, *liberalism* indicates the goal of the theory, and *Marxism* characterizes the conditions for achieving that goal. Thus, the theory is called *Marxian Liberalism*.

My argument unfolds in the following order. Since Marxian Liberalism develops and alters elements of Marx's and Rawls's theories, it will help to have the basics set out for reference and comparison in what follows. Accordingly, in Chapter 2, "Marx and Rawls and Justice," I present the basics of Marx's theory of capitalism, and of Rawls's theory of justice. I shall also briefly discuss Rawls's own quite sympathetic view of Marxism, and suggest where Marxian Liberalism goes beyond Rawls's view. Since Marxian Liberalism is a theory of justice, I will also show in this chapter that, contrary to the view of some interpreters of Marxian theory, there is no antipathy between Marxism and justice. And I will explain how Marxian Liberalism interprets Marx's comments on justice in light of its *historical* conception of justice.

In Chapter 3, "The Natural Right to Liberty and the Need for a Social Contract," I present an interpretation of Locke's argument for the natural right to liberty stripped of Locke's appeal to religious beliefs and, thus, suited to the secular temper of our time. I shall show as well that this argument can be defended against the claim that it is Anglo- or Eurocentric. And I shall show that the right to liberty requires appeal to a social contract to justify a right to property.

In Chapter 4, "The Ambivalence of Property: Expression of Liberty and Threat to Liberty," I present Locke's and Kant's arguments from the right to liberty to a right to large and unequal property, and discuss as well libertarian philosopher Robert Nozick's latter-day version of Locke's argument, and libertarian philosopher Jan Narveson's version of Kant's argument. I shall show that Locke (implicitly) and Kant (explicitly) recognized that, in addition to expressing liberty, property also limits liberty. I shall contend that neither Locke nor Kant, neither Nozick nor Narveson, provides for adequate protection of liberty against the threat posed by property. I turn then to Marx's notion that private property is, not merely a limitation on liberty, but a form of structural coercion.

In Chapter 5, "The Labor Theory of the Difference Principle," I present the moral version of the labor theory of value and show how the difference principle works when it is thought of as primarily distributing labor-time. I shall show that, so understood, the difference principle can be seen more clearly to be a principle of reciprocal benefit than Rawls was able to show. And, I shall address the critique of the use of incentives in the difference principle that has been proposed by Narveson and Cohen.

In Chapter 6, "The Marxian-Liberal Original Position," I formulate a Marxian-Liberal version of Rawls's original position, in which the parties' general knowledge includes the Marxian theory of the conditions of liberty as well as some factual beliefs characteristically held by liberals. I shall argue that it will be rational for the parties in the Marxian-Liberal original position to agree to a principle protecting basic liberties, to a right to property subject to Rawls's difference principle understood in light of the moral version of the labor theory, to a principle prohibiting unwanted coercion not necessary to realize the first two principles – and to a limited state empowered to protect liberty and implement the difference principle. I shall show how, as historical conditions change, the difference principle will call for Marx's "socialist" principle of distribution, and eventually give way to Marx's "communist" principle of distribution.

In Chapter 7, "As Free and as Just as Possible: Capitalism for Marxists, Communism for Liberals," using the principles agreed to in the Marxian-Liberal original position, I sketch Marxian Liberalism's conception of the just society and the just state for the current historical period. I shall argue that what a number of writers, including Rawls, have called "property-owning democracy," and that Rawls defended as a way of realizing his two principles of justice, is, now and for the foreseeable future, the ideal society for Marxian Liberalism – as free and as just as possible.

In the Conclusion, I will reflect on what the merger of Marxism and liberalism tells us about the doctrines of Marxism and liberalism as formulated by Marx and Rawls.

Note that, though I point to anticipations of Marxian views about property in traditional liberal philosophers such as Kant, and to endorsement of individual liberty by Marx, I am more interested in the theory that results from combining liberal and Marxian elements, than in fidelity to the sources. I do not claim that the view presented here is the only one that could count as Marxian Liberalism. That would be unlikely in any event, since both Marxism and liberalism mean different things to different people. Accordingly, I will exercise a fair amount of selectivity in choosing, and philosophical license in interpreting, the elements of Marxian Liberalism as I join them together. I hope that the theory that results is interesting enough to justify this approach.