

## **Political Equality and Empowering Economies--**

### **Toward a New Political Economy**

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Draft of Introduction to Book, *Political Equality as Justice*

Jan. 2018, not for circulation without permission from author

#### **I. Introduction**

The Great Recession of 2008, Thomas Piketty's *Capital in the 21<sup>st</sup> Century*, and earth-shaking elections in the last two years in the U.S. and Britain have put questions of political economy on the map for scholars other than economists and the general public. Do the political surprises of recent years flow from the dramatic increases in income and wealth inequality in the developed countries, and from the suddenly diverging fates of those with and without college degrees? Many have been the calls to re-visit our approach to political economy. Yet the challenge is that re-inventing political economy actually requires stepping outside the domain of economics. Economists have, I think, been answering the questions set for them by political philosophers and the general public. If we wish for different answers, we have to devise different questions. The purpose of this essay—originally a lecture—is to propose some fresh questions, in particular, questions about political equality.

To ask an audience—or readers—to think about political equality, a highly abstract concept, is rather like scheduling your course lectures at 8am. You ensure, in some sense, that those who attend, or read beyond the introduction, are ready for something serious. In this case, I hope to offer a journey into political philosophy and reflection on some of the basic concepts that define democracy and democratic aspirations. In my view, important features of our contemporary experience across multiple domains—political, social, and economic-- flow from intellectual mistakes, which we have been making consistently over the last few decades, which have their origins even earlier in the tradition of political philosophy, and which I am trying to correct. That is, I think both understanding recent events and building foundations for a new political economy, require us to journey back into the tradition of political philosophy. While I will lead

us on such a journey, I will do so in order to return to concrete political and economic realities at the end of this essay.

In our contemporary world, invocations of political equality most immediately call to mind topical challenges like campaign finance reform, felon disenfranchisement, voter identification laws, and so on. Eighteen months ago, if you asked someone what political equality was mainly about, I think those are the sorts of issues they would have offered in reply. Yet that was before we were all so seriously surprised by events, the election of Donald Trump and Brexit, for example. Now, our best route into understanding what political equality is more fundamentally about will involve an investigation into why we were so surprised by those events. Such an inquiry brings to light how a set of policy paradigms in use for the last few decades have blind-spots in them, blind-spots that explain our surprise. I will suggest that a shift of our attention to political equality, and to a richer conception of political equality, will help us correct those blind-spots. In what follows, I will try to identify and explain the blind-spots in our reigning policy paradigms, propose an alternative paradigm for thinking about economic questions, and then bring us around to a different issue of political economy that may perhaps be the most important issue of political economy to address, from the perspective of thinking about political equality.

## **II. A 20<sup>th</sup> Century Blind-spot**

We were of course surprised not just by Brexit and Trump but also by the recession of 2008. We have therefore been living in a state of intellectual surprise for almost a decade. Why is it that we have been so blind-sided? The answer lies, I suggest, in the dominant liberal policy-making paradigms.

The dominant liberal policy paradigm, emerging from places like Harvard's Kennedy School of Government and operating in Washington think-tanks and policy making-spaces, fuses two things: utilitarian economic welfarism and Rawlsian welfarism. Let me explain.

On the utilitarian model the goal of policy is to maximize happiness or, better, utility, as the economists label it, for society. In its crudest forms, the effort to maximize aggregate utility

relies on cost-benefit analyses, linked to preferences typically cast in terms of material goods. Much modeling of utility maximization in relation to preferences has abstracted away from the contextual, social, psychological, and cultural particularities of individual economic actors. The pursuit of utilitarian welfare maximization has typically focused on maximizing aggregate growth—in terms of income and wealth--and on using redistributive policies to spread the benefit of that growth.

John Rawls is a philosopher who in 1971 published an important book called *Theory of Justice*; and one of his main goals was to overturn utilitarianism. He sought to prioritize the right over the good, establishing as the purpose of political order the protection of a framework of right, not the pursuit of any particular good, even utility or happiness. Yet even as, philosophically, he sought to overturn utilitarianism, in many ways Rawlsianism has reinforced its practical applications.

In the Rawlsian framework, the goal of a just society is to do two things. The first goal is to protect a set of basic liberties. Those basic liberties include things like the right of association, the right to free expression, and the right to participate politically. The second goal is to pursue social and economic structures, within the constraint of protecting those rights, that are to the benefit of the least well of in society (“the difference principle”) and that secure fair equal opportunity throughout the society.

Rawls’ innovative and influential difference principle has anchored the major part of the reception of his work and led to a dominant focus, in philosophical discussions of justice, on the economic questions of distributive justice. These questions have gotten far more attention than his discussion of basic rights. Indeed, in the policy world, Rawlsianism has turned into a basic focus on redistributive taxation as the starting point for building a policy framework. Without intending to, Rawls reinforced the utilitarian paradigm precisely by hiving off consideration of basic rights from his treatment, via the difference principle, of social and economic spheres. He provided support for the utilitarian focus on growth, so long as it was tethered to redistribution.

In both utilitarian welfarism and Rawlsian welfarism, as expressed in the policy world, the core question for justice is one of material distribution. This is recognizable. When someone invokes the concept of “social justice,” the first thing that comes to mind tends to be matters of economic

distribution and welfarist social rights. Similarly, when a speaker invokes the concept of inequality, the relevant kind of inequality the speaker has in mind is almost invariably economic inequality. That's what scholars and the general public know how to talk about, thanks to the intellectual support provided by policy paradigms coming out of utilitarian welfarism, on the one hand, and Rawlsian welfarism, on the other.

Two features of this fused utilitarian-Rawlsian policy paradigm merit attention. The first is that both the utilitarian paradigm and the Rawlsian paradigm are universalizing. That is, they both abstract away from the contextual specifics of any given society to develop their overarching policy guidelines (utility maximization, on the one hand; and the difference principle, on the other). For instance, in *Theory of Justice*, Rawls seeks the definition of the right by asking us to imagine stepping behind "a veil of ignorance," where we no longer know anything about our own social situation; from that perspective in the imagination, we are to try to identify the principles that would constitute a just society, one that we will consider just regardless of whether we turn out to be one of the just society's wealthier or poorer, male or female, black or white citizens and so forth. The principles of justice are to be devised without taking into account any underlying demographic features of a society. Moreover, they are understood to apply universally, to any social context.

In the context of utilitarianism, the move to abstract away from social particularity is less a matter of the intentional design of the theory and more a necessary consequence of its mathematization. In principle, utility is a concept that can embrace not only a given actors preferences for material outcomes but also his or her values and norms. But the project of "maximizing" utility requires that we convert preferences into something arithmetic, and so financial interests are conventionally used as a proxy for utility, thus flattening the particularities of preference that may in fact give meaning and shape to the life of any particular agent. As in the Rawlsian case, the move to treat material gain, money, as a proxy for utility permits universalization. Financial stakes can be translated into a currency and compared across countries and contexts without reference to the underlying demographic facts or situations on the ground in any given country. In other words, one of the things both of these intellectual paradigms do is turn our attention away from the underlying demographic and institutional

arrangements of a society. Our minds are trained away from questions such as: Who has power and on account of what sorts of institutional structures and according to what sorts of allocations of resources and opportunities? We lose the habit of analyzing the demographic and political specificity of any given society to the degree that we embrace and reinforce the habits of using utilitarian and/or Rawlsian welfarism.

To give you a concrete example of the kind of abstraction I am trying to pinpoint, think about how the World Bank historically operated throughout the late 20<sup>th</sup> century. A set of boilerplate requirements for economic liberalization were applied to developing economies as conditions for receiving loans from the bank.

The fact the stability of these welfarist policy paradigms has taught us to overlook underlying social and political phenomena flows, I think, from a small philosophical mistake made in the early 19<sup>th</sup> century, and characterizing most variants of liberalism ever since. The mistake was to draw a distinction between two halves of that set of basic rights protected by liberalism. I introduced the concept of basic rights in describing Rawls' *Theory of Justice*, and provided as examples freedom of association, freedom of expression, and the right to participate in politics. With these three examples, I was limning the full spectrum of basic rights, including both halves as distinguished in the early 19<sup>th</sup> century.

What does this mean exactly? An early 19<sup>th</sup> century French thinker named Benjamin Constant was the first to divide basic rights, basic human rights, into two categories. He called them the rights of the ancients and the rights of the moderns. The rights of the ancients comprised rights to participate in politics, in shaping the collective life of a society. We now call these positive liberties. The rights of the moderns, in contrast, comprise a right to property and the right to be left alone to take your property, which you have a right to, and to engage in commercial transactions in pursuit of your own wellbeing as you see fit. We call these negative liberties.

The rights of the ancients were political rights, a right to be a part of a society that was working together to steer itself through collective decision making. The rights of the moderns, for

Constant, were about private autonomy, having the right to steer your own life, and being more or less left alone by any collective decision-making, to the maximum degree possible.

That distinction has worked its way into the philosophical tradition, and was extended by Isaiah Berlin in the early 20<sup>th</sup> century (who introduced the terms negative and positive liberties). Rawls, in *Theory of Justice*, argues that he's putting the two sets of rights back together again and that we need to protect the whole set of basic rights. In fact, however, the political rights become sacrifice-able in his argument, in various technical ways that I won't go into here (but do detail in Allen, "Difference without Domination"). Over the whole arc of *Theory of Justice*, we end up primarily focusing our thinking about politics on the conjunction of our private rights (the right to autonomy, property, association, expression, and so forth) with the economic questions associated with those rights-- the wealth associated with property and the need for redistribution that comes from the unequal flow of the gains of productivity across a population. In other words, when you lose sight of the political rights and focus primarily on the private rights or negative liberties, you can easily come to focus exclusively on economic questions and lose sight of political questions. That is what I see as having happened in the policy paradigms that dominated U.S. policy-making in the late 20<sup>th</sup> century.

Another part of the story about the development of a truncated focus on economic questions—without reference to underlying political questions—relates to the transition over the course of the 20<sup>th</sup> century from the influence of law on public policy to the influence of economics. Sociologist Elizabeth Popp Berman (2014) has written well about the variety of factors—including new capacities for computation—that drove that change, and much more could be said about this transition. But the transition from law to economics also underscores the point I'm making. Legal thinking is fundamentally about the institutions of *specific* societies and about the consequences of particularities of those institutions for specific societies. Even sub-disciplines like comparative law that compare the legal systems in different places must begin by seeing the specificity of the legal institutions in each place under comparison. When law dominated the policy-making universe, universalizing policy approaches that abstracted from demographic and social specificity, were not broadly available.

The abstracting, universalizing features of the fused utilitarian/Rawlsian welfarism that dominated policy making of the late 20<sup>th</sup> century seem to me to have produced the blindspots to society, politics, and political rights, that left us surprised not only by 2008 but also by Brexit and Trump.

### **III. A 21<sup>st</sup> Century Alternative**

Can we identify an alternative paradigm for political economy that would not similarly leave us vulnerable to surprises of the kind we have recently experienced? I think we can, particularly if we pursue an alternative path with regard to political philosophy. In my view, our thinking about justice would be improved if we began by thinking about political equality.

How are justice and political equality related to each other? To answer that, we have to take a moment to rethink the concept of equality and its different types. My experience is that very few of us typically take the time to ascertain how different kinds of equality relate to each other. Let's begin with a basic list. There's moral human equality; there's political equality; there's social equality or economic equality or economic egalitarianism, and the list goes on. For instance, there's also racial equality and gender equality, and so forth. What are the relations among all these categories of equality?

The relationship I'd like to propose among them is that human moral equality is fundamental (see also Waldron 2017). Human moral equality flows from the human need to be an author of one's own life as a part of fundamental flourishing. At the core of the idea of human equality lies a concept of autonomy, as a necessary feature of well-being and worth. Yet a complication immediately rears its head. It cannot suffice for well-being resting on autonomy simply to be the author of one's own life as an individual in an autonomous space. Each of us lives inside a set of societal constraints. There is no way we can proceed through the world without recognizing and submitting to a set of constraints that come from laws, shared cultural practices, social norms, and so forth. Consequently, the only way to be fully autonomous is actually to be a co-creator of those social constraints, both politically and culturally. The argument then is that human flourishing is a matter of both private autonomy and public autonomy, with the latter entailing

meaningful participation in collective decision making, which is to say, it entails an experience of political equality. I draw a line of this kind from basic human flourishing to political equality as a basic part of human well-being and therefore intrinsically valuable to human beings.

If you start thinking about justice there, then, with the need for political equality, and hold economic questions off to one side for a moment, what happens? That's the question I'm putting on the table. To do so, of course, you first have to define political equality a little more completely. Given how fundamental I am making political equality—indeed, I am treating it as core to the definition of justice-- it will be clear that I don't think reference to issues like campaign finance reform, the right to vote, and so on suffice as an account of what political equality consists of. Issues such as these tend to pick out some of the formal institutional mechanisms that we use to try to achieve political equality. But what sort of broader concept of political equality do these institutional mechanisms touch on or, if we are successful, actually operationalize?

I would begin by proposing a concept with five facets. These five facets do not constitute a comprehensive account of the content of political equality. Instead, they serve as a conceptual starter set for thinking about political equality. I've argued for them at greater length elsewhere (*Our Declaration* and "Difference without Domination"), so here I will simply name the five facets and not flesh them out very much. The first facet of political equality is a requirement for experiences of non-domination both in social contexts and in the context of operating within political institutions. A second facet consists of equal access to the instruments of government, an equal chance to participate in pulling the levers of political institutions. The third facet is something that I call epistemic egalitarianism. This is the notion that any well-functioning democracy needs to make good decisions based on good knowledge processes, that is, processes for gathering knowledge and sorting it and making judgments on its basis. Successful democratic knowledge processes will require reliance on both expertise and the social knowledge that ordinary people have. In other words, epistemic egalitarianism requires the development of processes that put expert and lay knowledge in a strong relationships to one another so that decisions can be made on the basis of the knowledge base of the citizenry as a whole in some representative sense. The fourth facet of political equality is reciprocity. This concerns the

relational ethic that citizens have with one another: the ability to look one another in the eye; the ability to propose the need for redress and to be secure in the expectation that redress will be possible within constraints of reasonableness and so forth. Some of the controversies surrounding the issue of police violence, for instance, have tapped into the need of citizens for reciprocity expressed through processes for redress of grievances. The fifth facet of political equality is something I call co-ownership of political institutions. This involves recognizing all the machinery of a democracy, all of the assemblies, and congresses, state assemblies, and judicial offices, as an asset. This massive apparatus is a form of property that we own together. What does it mean for us to own all of that property together, to have co-ownership in relationship to it? The concept of co-ownership of our political institutions should help define some limits on their usage, for instance, ruling out the privatization of prisons. I take the concept of political equality, then, to embrace at least these five facets, principles for thinking about institutional design and cultural norms.

Now, having laid this concept out for you, and having asked you to go through the exercise of thinking about political equality without thinking about economic questions, it's reasonable and necessary to put the pieces back together and to ask the question of how to think about the relationship between political equality and social and economic domains. What changes for how we approach political economy once we have a theory of justice grounded on the non-sacrificability of political equality as defined above?

Let me explain what I mean and where I'm going here. If one just tries to think about political equality in isolation, a first instinct might be to ask the question of how we reform our political institutions to achieve some of the five facets that I just laid out. This would take us back to issues like campaign finance and voter identification laws. Indeed, on a line of analysis of this kind, I would also recommend taking up the subject of the Fair Representation Act, a bill proposed in Congress by a Virginian congressman. This bill would re-organize Congressional districts as multi-member districts that employ rank order voting. This would have the effect, speaking roughly, of introducing an element of proportional representation to our system. More voices in any particular district would contribute to the election of a given representative; minority views could aggregate and achieve some representation. Moreover, with a multi-

member district, you would have Democrats and Republicans serving the same constituency, so they would have to figure out some way to work together to serve that constituency. That would change the dynamics of compromise and the kinds of voices that are pulled in to decision-making. This is relevant to achieving epistemic egalitarianism, non-domination, and equal access to the instruments of government. In other words, the five facets of political equality can take you right back to thinking about political institutions and how we might reform them.

Yet—for the sake of reunifying political and economic thought-- I'd rather turn toward a different kind of problem, namely, the problem of analyzing how the social and economic realms can and do, or don't, support political equality (see for instance Hacker 2011, Gilens 2014). In other words, I'd like to revisit questions of economic justice from the point of view of how to develop economic policy that supports political equality. If we make economic policy and social policy in some sense secondary to, instrumental to the goal of generating egalitarian empowerment, political equality, what's the result?

This question brings us face-to-face with something of a paradox in how we think about basic rights. I think it's a resolvable paradox but it starts off feeling like a paradox. It goes like this. If you start out protecting basic rights like freedom of association, you will necessarily end up with social difference. That's a great and beautiful result of freedom, but social difference also easily articulates with domination and caste society structures and so forth. Importantly, there's no way you can have your basic rights without getting social difference, so an obvious question emerges. How can you protect rights, and foster the emergence of social difference, and avoid the articulation of that difference with structures of domination? Similarly, if you protect the right to contract, the basic right to property, you will necessarily get economic structures that can articulate with domination, which is to say, with the kinds of inequalities that are disempowering of citizens. Protecting our basic rights quickly looks set to undermine our pursuit of political equality. What are we going to do about that?

If we wish to unify protection of political equality with protection of the other basic liberties, we need to think about a principle for our design of the social realm to avoid the emergence of domination. The relevant principle I call "difference without domination," and I address it more

fully in an essay of that title. In brief, the principle entails that we have to scrutinize our institutions to diagnose patterns of difference, work to ascertain whether they arise from domination or support domination and, if they do, re-design the institutions to remove the forces of domination that are operating. I'll give you an example in a moment of where something like a principle of "difference without domination" already operates in our legal environment.

Similarly, in the economic realm, we also need a principle to guide our policies away from directions that enable inequality to articulate with domination. Here I think the question to ask is this: What are the sets of economic policies that produce empowerment? The principle here should be one of policy that seeks "empowering economies," forms of economic policy that contribute to people's ability to function effectively as citizens. That's a different question of political economy the one you ask when you start with questions of distribution. Access to time may be as important as access to income, for instance (see Rose 2016).

Now, my task is to explore with you how the application of these two principles, "difference without domination," and "empowering economies," provide an alternative framework for thinking about political economy. I will address the application of the first principle to the social realm only briefly, and then spend the bulk of my time on the application of the second principle to the economic realm.

#### **IV. Two Principles: Difference without Domination and Empowering Economies**

With regard to the principle of difference without domination and the social realm, let me offer one interesting example of where such a principle may be said to operate. It shows how you get a compromise between different parts of the basic rights set. This is an example of the law "thinking" via collective social practice. The Fair Housing Act is a law that prohibits landlords from discriminating when they rent to tenants and it has within it a clause known as Mrs. Murphy's exception. This is the exception that if you're Mrs. Murphy and you have a building with four or fewer units and you want to rent only to other Irish-Americans, that is permissible. At that scale, discrimination is not prohibited. The notion appears to be that the scale is small enough to give us confidence that this kind of discrimination will not, in aggregate, result in

systemic domination that hinders equal protection of the laws. Interestingly, this sort of compromise has emerged in other domains of law too, again not because of design, but as a principle emergent from practice. For instance, as I understand it, in small business law, businesses below a certain size-- the number varies from state to state but it tends to be in the 16-18 person range-- are exempt from non-discrimination employment law. This is the same idea as in Mrs. Murphy's exception. I take this small business case, too, to be an example of difference without domination because our legislators and jurists appear to think that the discrimination in these cases is operating at a threshold below which we will avoid producing systemic domination.

In another essay ("Toward a Connected Society,") I make a more elaborate argument about the need to build a connected society and to understand how bridging ties that link bonding communities and communities of difference can generate egalitarian dynamics that work against domination in the social sphere. This is the direction in which I take further articulation of the application of the principle of difference without domination in the social realm.

But for the rest of this paper, let me turn to economic questions and the issue of how to build empowering economies.

First, it is important to note the general shift of focus that my line of analysis generates. As I said in the first section of this essay, under the paradigms that we used most habitually in the late 20<sup>th</sup> century and into the 21<sup>st</sup> century, our effort to think about issues of economic justice have tended to start with discussions of distribution, redistribution, taxation, and the welfarist model. Rather than starting with distribution, we might instead start with what Jacob Hacker (2011) has called "pre-distribution," or which might also be called "production." Indeed, the political equality lens, by asking how to build empowering economies, puts the focus there, on the question of how to build economies that result in empowering distributive results in the first place. What does that mean exactly? It's to recognize that land, labor, and capital and how we organizes those things all have a powerful effect on the kind of economic results that emerge from the society in the first place. The focus on empowering economies restores attention to the laws that structures

how we organize land, labor, and capital (the importance of starting here is stressed in Polyani 1944, Hacker 2011, and Acemoglu and Robinson 2015).

Notably, the U.S. has a tradition of thinking about how to organize production for the sake of egalitarian effects. Lincoln's thoughts about "free labor" and what is entailed to support and enable it are in this vein, and so too was plenty of political and economic thought in the early Republic (see Dan Mandell's book in progress, *The Lost Tradition of Economic Equality in America*). Just to give you a couple of concrete small examples, let me take you back to the founding of the American republic and to how Thomas Jefferson and others thought about the relationship between political equality and economic egalitarianism.

At the time of the American Revolution, this country was more economically egalitarian than anything Europe had seen. Approximately 60% of white men were property owners. Nothing like this level of property ownership had yet arisen in Europe with its still lingering feudal effects and aristocratic landed estates. The founders understood that their middle class economy helped make possible their bid for a democratic-republican system of government and political equality. Jefferson, for example, argued against laws of primogeniture that concentrate rights of inheritance in the first born. The reason he pursued an end to primogeniture was to build an economy that would break up big estates over time and generally keep the economy in a more middling zone. (See Allen 2016a for references for this paragraph).

Another example of this kind of egalitarian approach to the linkages of political equality with the economy comes from Georgia (also Allen 2016a). This example shows the downside as well as the upside of the economic egalitarianism of the founding era and early Republic. In the 1830s, Georgia had what was called the Georgia Land lottery. Land was given out by lottery and in equal-sized parcels to white men, white widows, and white orphans, a fully egalitarian approach to great swathes of territory in Georgia, almost  $\frac{3}{4}$  of the present day state. But, where did they get the land? They extracted the land from the indigenous peoples whom they had just driven out of Georgia on the Cherokee Trail of Tears. The egalitarianism of the founding era was linked to extractive, exploitative economic measures. This history teaches us two things. At the founding, the aspiration to political equality was joined to recognition that economic egalitarianism is

necessary to support political equality. But the political economy developed at the founding to secure those linkages between political equality and economic egalitarianism was grounded on extreme injustice. By not including native Americans in the circle of people to whom political equality applied, or even basic human rights protections, they undid the moral legitimacy of their enterprise.

We can, then, return to the present with a few ideas to think about, as we work toward building a political economy that takes as its starting point the notion that justice depends on political equality. The first is simply the recognition that political equality does need economic egalitarianism. This entails thinking about how we organize land, labor, and capital—and what it takes to do organize the rudiments of an economy in a fashion more rather than less likely to generate economic egalitarianism. In our modern context, I would that this means focusing not on taxation and redistribution in the first instance but, even before that, on housing, transportation, and issues of labor rights and the quality of experience in the workplace and inside firms. (On the last point, see Anderson 2017, Gould 2014 and 2016, Rose 2016). With regard to the last, we might seek to understand how the transfer of ownership of companies to venture capital firms impacts the degree of empowerment an economy delivers to ordinary workers. As Harvard Business School Professor Malcolm Salter puts it, instead of working for General Motors, many people now work for General Atlantic (Salter, unpublished), with the result that there's less direct connection between the managers, workers and owners. The result is dynamics that leave workers exposed. Or take universities that outsource dining services and facilities services and thereby have removed paths of advancement within the organization. This reduces mobility and also empowerment within the organization. We might identify many policy questions—pertaining to housing, transportation, and labor rights-- that are relevant to building empowering economies in support of political equality. But I'd like to focus the final section of my essay on one of largest questions of political economy in front of us.

## **V. Empowering Economies and Immigration**

If you take political equality as your starting point, and take it seriously, and think that political equality is intrinsically valuable to human flourishing, then how do you build a political

economy based on that foundation of principle that does not subject some people to exploitation. The founders did not achieve that. The question for our own age is how to succeed at that. This, I think, is the most important question of political economy that we face.

Let me offer a concrete example of how we already face it. In 2014, an economist and law professor, Glen Weyl and Eric Posner, then both at the University of Chicago, published an article in the New Republic, called “A Radical Solution to Global Income Inequality: Make the U.S. More like Qatar.” Weyl and Posner make an argument with two prongs. First, they argue that global income inequality would be best addressed if developed countries could maximize their intake of immigrants and thereby, through remittances but also the increased earnings of immigrants in the developed countries, achieve a global redistribution of wealth. Then comes the second prong. They argue that in order to maximize their intake of immigrants, the developed Western countries should abandon the notion that labor immigrants might have a path to citizenship. Instead, like Qatar, they should accept a permanent, disfranchised laboring class. The idea is that developed democracies put limits on immigration because they fear the intake of culturally alien immigrants into their civic and political life. The suggestion is that if that fear could be neutralized, developed democracies would take in more immigrants and thereby achieve a radical reduction of global income inequality. In short, they argue that in order to maximize utility and economic egalitarianism from a distributive point of view, the developed democracies should abandon their treatment of political equality as a non-sacrificeable element of their political structure, and put aside the notion that political equality identifies a basic human need and aspiration.

While Weyl and Posner’s argument might seem to be extreme, in fact the U.S faces a problem of roughly the shape they trace. A policy question of this kind is on our map because we are a country with 11million undocumented workers stuck in limbo. What does the framework I’ve been building in this essay have to say about this problem?

On the argument I’ve been making, one is obliged to say that a democracy that is committed to political equality as its grounding ideal can’t accept a permanent laboring class with no pathway to citizenship. I would affirm that, in order to preserve the foundations of democracy, we do need

to treat political equality as a basic expectation for members of our polity. Moreover, I would add that, because of the basic connection of political equality to justice, we ought also to recognize that the human good is connected to political equality generally, outside our borders as well as within them, regardless of whether political equality actually exists in any polity other than our own. If we do accept political equality (and so citizenship or a pathway to citizenship) as necessary for all members of our own polity, as well as generally a good for human beings, we then face the hard problem of figuring out how to build a political economy where we've accepted that. The first consequence of this line of argument, I think, is that we would need to accept limits on immigration, calibrated to the rate at which the existing citizenry could integrate newcomers, preserving its state form and institutions as it does. In other words, if one accepts Weyl and Posner's hypothesis that a citizenry has limits to the rate of which it can tolerate the influx of outsiders into the body of the citizens—which seems in itself like a reasonable hypothesis—and if one wishes to maintain a principle of the non-sacrificability of political equality, then one would need to accept limits on immigration, albeit connected to a pathway to citizenship. This is one of the policy conclusions I come to through this focus on political equality that is perhaps not where those on the liberal side of the policy spectrum are most likely to have started. The second policy conclusion that this framework leads me to is the need to ask economists to provide policies to achieve growth and build empowering economies in contexts where there is no caste system.

Importantly, Weyl and Posner have answered the question that our reigning policy paradigm put on the table for them. The reigning paradigm raised the question: how can we distribute the fruits of the world's productivity in the way that benefits the least well off. Their answer is that we can do that by giving up political equality. In other words, we put to them a question that had implicitly taken political equality out of the equation, and they answered the question by taking it out explicitly. This is the answer that we get *because* we had already taken political equality out of the equation that we are asking economists to solve. We stopped conveying its importance to them. Can we, then, develop a different political economy if we put a different question on the table?

The questions on the table might be this: *In order to secure human flourishing, any given human society should properly be pursuing political equality (not that they all will, however); given that constraint and our own embrace of internal political equality, (1) how do we build the most empowering economies possible? And (2) what kind of responsibility do we have to develop a political economy that won't be extractive or exploitative of other parts of the globe?* The purpose of the last question is to ask how we can avoid building our own domestic political equality on forms of extraction from people outside our borders who have not, in institutional terms, yet been brought under the protections of a system resting on political equality. How can we avoid treating other parts of the globe as the founders treated indigenous Americans?

Our political economy will require us to think not only about methods of building empowering economies domestically but also about how to align those efforts with non-exploitative efforts abroad. The pathway to achieving that alignment might be something like the plan devised by George Marshall at the end of World War II as he conceived the Marshall Plan. Marshall's argument was that the job to be done after World War II was to help build economies that worked "so as to permit the emergence of political and social conditions in which free institutions can exist." The challenge was how to help structure the economy, again, "so as to permit the emergence of political and social conditions in which free institutions can exist."

Marshall's grounding policy principle is importantly different from the kind of idea used to justify our invasion of Iraq. In the latter case, the goal was to build democratic political institutions, not merely to foster the conditions in which they can exist. Is that a difference that matters? I think it is.

In our own contemporary circumstances, then, following this line of thought, would lead to the following policy idea. As we pursue empowering economies at home, and also limit immigration in order to secure our commitment to political equality, while ensuring that immigrants do have a path to citizenship, we ought also to think about how support the emergence of empowering economies elsewhere as well, lest we find ourselves building our own prosperity on extraction from others, for instance on the labor of undocumented immigrants from unstable societies. Our most important foreign policy question might then be how to help stabilize functioning legal

regimes in Central America and South America. This question has largely been off our radar screen, yet it is deeply entangled with our economy because of the war on drugs (as pointed out in Allen 2017 and Schultz and Aspe 2017).

Let me try, then, to summarize the argument I've made about rethinking political economy. Most importantly, if we re-orient our basic thinking about a theory of justice and social theory by starting from the intrinsic value to human beings of political equality, we end up focused on different kinds of social policy—and I gave you an example from the housing space, of difference without domination—but also a different kind of focus with regard to economics. The new focus would be, in the first instance, on production, not redistribution, with a focus on how to build empowering economies domestically and how to support empowering economies outside of our own borders. I believe that that is a set of questions that we should put to economists, and for which we ought to ask them to take responsibility. I'm not myself equipped to deliver answers about what a political economy built on this starting point ultimately looks like. But the question to consider is whether the questions I've spelled out constitute a reasonable problem set for us to give to the economists? If they were seeking to respond to this problem set, they would be steering our policy landscape in very different directions than has been the case for the last thirty years.

In closing, I should explain why I think this focus on political equality, and a political economy built on such a foundation, would help us avoid the surprises of Brexit and the election of Trump and so on. In the first place, a political economy built around the need to secure political equality requires deeper contextual knowledge of the political situation of any given place. You can't actually think about policy without thinking about the distribution of power and about how arrangements of land, labor, and capital contribute to the political lay of the land. Economic policy questions would necessarily require social contextualization, and that effort would increase the amount of knowledge our technocratic professionals have about the societies for which they are designing policies.

An approach to political economy grounded on the non-sacrificability of political equality also foregrounds human dignity, the desire people have to be co-creators of a collective body, and the

impacts of policy on that aspect of human experience. I think a political economy that takes socio-political context and human dignity seriously would help avoid future failures on the part of our policymakers to understand the dynamics of our political circumstances, such as we have recently experienced.

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