The Misuse of Egalitarianism in Society

James R. Otteson

What is the problem we wish to solve when we try to construct an egalitarian society? On certain familiar assumptions, the answer is simple enough. If we agree on what the proper conception of egalitarianism is and how it would apply to the people in our society, if we know all the relevant information about people's lives and the ways in which they depart from the proper egalitarian benchmark, if we have knowledge of the resources available to us that might be marshaled and allocated, and if we know the mechanisms by which these resources might be reliably reallocated according to the proper egalitarian benchmark, then the problem that remains is purely one of logic: the best use of our available resources is implicit in our assumptions. At that point, establishing an egalitarian society, under the assumption that it is what we want, is merely a matter of will: Do we want to effectuate such a society or not?

With apologies to F. A. Hayek (1945), after whom the previous paragraph is modeled, the problem of constructing a properly egalitarian society is, alas, not so simple. There are many difficulties that combine to frustrate our attempts to establish an egalitarian society.

In this article, I discuss some of the political-economic difficulties. By focusing on "political-economic difficulties," I accept for the sake of argument that an egalitarian society (properly conceived) is desirable, and I address three issues related to the practical instantiation of creating or taking positive steps toward creating such a society: (1) many cases of so-called brute luck, which for many commentators leads to unfair (because undeserved) inequalities justifying redress, actually result from choices whose

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outcomes should be respected and not corrected; (2) political and economic policies that would match up with our considered egalitarian goals are far more difficult to craft than is typically envisioned; and (3) the likelihood that such policies, even when well crafted, will work in practice the way we would ideally like them to is lower than typically envisioned. I close by suggesting an alternative conception of egalitarianism—namely, egalitarianism of respect.

Luck Egalitarianism

Based on the amount of attention it has received, perhaps the most engaging topic in egalitarianism is luck: what it is, how to recognize it, how to (or whether we can) disaggregate its effects from those brought about by nonluck factors, and what to do about it.[1] Eliminating luck and its effects in people's lives altogether, however, is impossible. There is no way to eliminate all categories of luck running from chance encounters between people who can help one another to unpredictable changes in the environment or in human society. Might we, however, be able to dull or mitigate the effects of luck? Yes, but it is a very long way between saying that "some effects of luck seem unjust or unfair" to asserting that "we now know how to solve that problem"—or indeed even to saying "we now have figured out how to plausibly address that problem."

There is in fact a chain of difficulties. We first have to specify what luck is and agree on a description of it that specifies under what conditions it is unfair. Luck egalitarians routinely distinguish what they call "option luck" from what they call "brute luck": the former comprises inequalities that arise as a result of choices people make, such as voluntary gambling; the latter comprises inequalities that result independently of agents' choices, such as accidents of birth, natural disasters, and so on. Luck egalitarians differ on whether people should be compensated for bad option luck, for bad brute luck, for both, or for neither.[2] As I argue later, however, the distinction between option luck and brute luck, which initially seems promising, turns out not to be dispositive in relatively routine, everyday cases. Even assuming that we can come to a satisfactory description of the morally relevant sense of unfair luck, we then have to figure out how we can recognize the presence of unfair luck in actual people's lives—not in hypothetical thought experiments, but in the lives of real people. The next stage of the program would be to develop policies to address or mitigate the effects of unfair luck that address or mitigate what we want addressed or mitigated and not something else—policies that *(a)* will not make the problem worse or create other unintended problems and that *(b)* can be effectuated by the actual

1. See, for example, Van Parijs 1991; Nagel 1995; Anderson 1999; Arneson 2000, 2004, 2012; Vallentyne 2002; Barry 2006; Voigt 2007; Cohen 2009; and Knight 2013.

2. See Anderson 1999 for a review of positions.

people likely to be administrators of the relevant government agencies and not by superhumans.[3]

Before we get to this policy stage, however, we face a prior difficulty: the inequality that is often taken as reflective of luck is a symptom that has many causes. The difficulty is not just that we can measure inequality in many different ways but also that inequality is caused by many things—luck is one, but it is by no means the only one. Suppose there is a species of causal agents, call it category L, that plays a role in effectuating a species of effects, category R. But there are many subspecies of L: L1, L2, L3, . . . L*n*; and there are many subspecies of R: R1, R2, R3, . . . R*n*. To make the causal argument, one would have to show that the particular subspecies of L that one is discussing is what has led to the particular subspecies of R that one is targeting. That is very hard to do. But our situation is actually worse than that. First, we cannot be sure whether the various subspecies of L that are conceptually distinct are also ontologically distinct—that is, whether our conceptual distinctions match up with the distinctions in reality. Second, each actual instance of R will have been brought about by many causes, one (or some) of which might be in the category of L at issue, but we cannot know *(a)* how many other Ls might have contributed to the R we are targeting or *(b)* what proportion of the relevant R is accounted for—in fact, not in theory—by the particular subspecies of L we are discussing. Causal ascriptions are difficult and delicate. They may hold in the hypothetical cases we construct, but such cases typically imagine that all else is held constant and ignore how the relevant situations might have arisen historically. There is hence a substantial gap between such hypothesized scenarios and their application to real people's actual situations that renders many of our narratives about connecting Ls to Rs otiose—simply just-so stories.

Let us stipulate for the sake of argument, however, that (1) there is such a thing as undeserved bad luck and that (2) it can give rise to justified disappointment on the part of the disaffected agent. In what follows, I raise three considerations against the luck egalitarian (LE) position, even granting both (1) and (2). First, I argue that in many common, everyday cases it does not follow that the disaffected agent is owed anything by anyone. Second, I argue that the main political-economic proposals for reducing or mitigating inequality would not plausibly address the cases of undeserved bad luck and justified disappointment about which luck egalitarians are concerned. And third, I argue that the standard LE argument is incomplete because it fails to take into consideration relevant trade-offs and opportunity costs.

Bad Luck and Justified Disappointment Resulting from Unobjectionable Choice

Let me illustrate the first consideration with an example. Jack and Jill are college seniors who have been dating for some time. Jill is coming to think that she might be in love

3. We must beware the Great Mind Fallacy, which proposes policies that can be effectively administered only by a Great Mind possessed of knowledge and motivations no actual human being possesses. For discussion of this fallacy, see Otteson 2010.

with Jack; Jack, for his part, also believes he loves Jill. On a Sunday evening, Jack calls Jill and asks her to dinner the next Saturday evening. She agrees, and he tells her it is going to be *special*. When Jack says that, Jill begins to wonder whether Jack intends to ask her to marry him. She decides that if he asks her, she intends to say "yes." On Monday, Jack goes to a jewelry store and buys an engagement ring. Also on Monday morning, Jill is in class; on her way out of class, while happily thinking about the impending Saturday evening date and its potential future ramifications, she gets stopped by . . . Joe. Joe missed what the professor said at the end of class and asks Jill if she could fill him in. When Jill looks up at Joe, their eyes meet, and there is a spark. Joe asks her if she wants to get a coffee; she says yes. They talk and enjoy their conversation. After several hours of talking, they decide to get some dinner. Then they talk, walk around the quad, and talk some more. They eventually realize that they have been talking all night long. The sun is coming up over campus. Joe looks at the sunrise, he looks at Jill, and he says, "Jill, I've never met a person like you before. I can't believe I'm saying this, but, let's get married—right now. Let's elope." Though numerous predictable thoughts begin to whir in Jill's mind, she replies, "Yes." They agree to elope.

Now think for a moment of poor Jack. Did he suffer undeserved bad luck? Obviously yes: in the very week that he plans to ask his longtime girlfriend to marry him, her meeting a new person whom she suddenly decides to marry is clearly bad luck. Is the disappointment Jack no doubt feels justified? Again, obviously yes. He and Jill have a history, and he had reason to believe they might spend the rest of their lives together. But what can Jack do about it? Can he sue her for compensation for the future companionship and affection he expected to get from her but now will not? Can he seek redress for the children he wanted to have with Jill but now will not? Can he seek reparation for the time, energy, and effort he put into the relationship with her, all of which now has come to an unexpectedly fruitless end? The answer to all of these questions is "no." Jack suffered undeserved bad luck and is experiencing a disappointment that I think we all would agree is justified, but he has no right to Jill. He has no right to her affection, her love, or her time. She is a free moral agent, and she thus gets to decide with whom she will spend her time and to whom she will give her affection, even if that means Jack or anyone else is reasonably disappointed.

Is Jack owed something from anyone else? If you are a friend of Jack, your friendship might require you to console him or offer sympathy. Perhaps you take him out for a beer and talk things over with him. You might introduce him to another possible mate. Any of those extensions of beneficence are acceptable, but what would not be acceptable is to visit some harm, injury, or cost on Jill or Joe. Does *society* owe Jack something? Should we endorse policy that would require Jill or uninvolved others to compensate Jack? Should we endorse policy that would seek to prevent people like Joe from meeting or speaking to people like Jill? Again, the answer to these questions is clearly no—and for the same reason as that given earlier: Jill is a free person, entitled equally with anyone else to give or withhold her affections to or from whomever she chooses. If she had already entered into a contract (such as marriage) with Jack, or if she had made some promise (express or perhaps even implicit) to Jack, the situation might be different. But in the scenario proposed, no such contract was executed, and no such promise made.

I suggest that the same reasoning holds in many other realms of human social life. Suppose you regularly go to Coffee Shop A (CSA). Then one day Coffee Shop B (CSB) opens up across the street. You discover that you like its offerings better than those of CSA. Perhaps other CSA customers similarly decide they like CSB better; perhaps this change in preference eventually puts CSA out of business. Now, did the owner of CSA suffer undeserved bad luck? Yes: it was unlucky that another coffee shop opened across the street. Is the disappointment of CSA's owner justified? Yes: it seems entirely reasonable that she should be disappointed that her plans for keeping her coffee shop in business indefinitely into the future are now threatened. And if she should lose her business, this will cause significant displacement and difficulty in her life that she did not want or anticipate as a result (at least in part) of bad luck she did not seem to deserve. But does she have any rights to press against the owner of CSB or against the customers who have now chosen to stop patronizing her coffee shop? No. Just as Jack has no right to Jill, the owner of CSA has no right to those customers or to their resources, and she has no right to make them choose otherwise than they would on their own—or to visit harm or cost on them if they choose otherwise than she wishes they would. They are free moral agents, entitled equally with anyone else to choose with whom to associate or whom to patronize.

I argue that these examples indicate that having established that a person suffered undeserved bad luck and that he or she is experiencing justified disappointment do not, even when combined, suffice by themselves to establish that the person is owed compensation. An assumption my argument makes is that all of the persons involved—including not only the disaffected person(s) but also those who made choices leading to the scenario under which the disaffected persons are unlucky and disappointed—are equal moral agents and thus deserve to have their choices respected as much as anyone else's choices (see Rakowski 1991 and Otteson 2006). I also assume that there was no contract or promise (explicit or implicit) in place that would obligate anyone to act in a way differently from what they chose. If there were such a promise in place, then a disaffected person might be owed compensation—from the affecting parties, if not from anyone else.

Note that the "great stress [egalitarians place] on the distinction between the outcomes for which an individual is responsible—that is, those that result from her voluntary choices—and the outcomes for which she is not responsible—good or bad outcomes that occur independent of her choice or of what she could have reasonably foreseen" (Anderson 1999, 291; see also Dworkin 1981) does not defeat either the Jack-and-Jill scenario or the coffee-shop scenario. The unfortunate results for Jack and the owner of CSA result from the voluntary and unobjectionable choices made by Jill and Joe and by prospective coffee shop patrons, respectively, and both Jack and the owner of CSA presumably engaged in their respective enterprises knowing that others' choices could frustrate their hopes. Thus, on the standard "option luck" view, they are responsible for the consequences of their voluntary choices. At the same time, the specific negative consequences suffered by Jack and the owner of CSA occurred independently of their own choices—they resulted from others' choices. Thus, those consequences would qualify as "brute luck" for them, and yet Jack and the coffee shop owner are still entitled to no compensation.

The Difficulty of Crafting "Responsibility-Catering" Policy

The second consideration I wish to raise regarding the LE argument again begins by accepting two starting points: (1) there is such a thing as undeserved bad luck, and (2) it can give rise to justified disappointment on the part of the disaffected agent. Here, however, this consideration stipulates an additional premise: (3) the disaffected agent is owed compensation of some kind and from someone. Whereas the previous consideration questioned whether a disaffected agent is indeed owed something, this consideration concedes that point and instead asks another question: How can we reliably compensate the disaffected agent? What political-economic policy might we endorse that could *(a)* reliably pick out of a large and diverse population which individuals meet criteria (1), (2), and (3) and *(b)* reliably get the proper compensation to them instead of to other people?

Elizabeth Anderson writes, "Luck egalitarianism relies on two moral premises: that people should be compensated for undeserved misfortunes and that the compensation should come only from that part of others' good fortune that is undeserved" (1999, 290). My argument from the Jack-and-Jill and coffee-shop scenarios questioned whether undeserved misfortunes alone entail that compensation is required. Suppose, however, that we have demonstrated satisfactorily that in a particular case compensation is indeed owed. The second part of the LE position, according to Anderson, is that the relevant proper compensation is due "only from that part of others' good fortune that is undeserved." Anderson goes on to claim that luck egalitarians "take from the fortunate only that portion of their advantages that everyone acknowledges is undeserved" (1999, 291). Putting aside the not inconsiderable likelihood that there may in fact be *no* portion of others' advantages that *everyone* would acknowledge is undeserved, we must ask: How can we know what part of others' good fortune is in fact undeserved—not in theory or in hypothetical cases, but in the lives of actual people? And further: How can we design a policy that would have a chance of reliably determining and responding to that undeserved good fortune?

The LE position requires that differentials in luck lead to differentials in relative success in life: people with good luck tend to have levels of success that are both greater than that of people with bad luck and at least in part attributable to the luck.[4] The next

4. Both of those elements of the position are necessary. If there is no differential in relative success owing to luck, then there is nothing to correct; and if differentials in relative success are not at least in part due to differing luck, then there is nothing for the luck egalitarian to correct. (There may yet be reasons to seek to minimize differences, but in the latter case there would be no *luck-egalitarian* reasons to do so.)

step in the LE argument is to devise policy recommendations that could make some headway in compensating for the differential levels of relative success between those experiencing good luck and those experiencing bad luck. Since the LE position addresses both luck and equality, it must seek policies that tend to equalize the effects of luck on people's lives. Such policies can address inputs or outputs: they can seek to equalize funding—for, say, education in an attempt to minimize the effect of luck pertaining to where one happens to be born or in what school district one happens to be raised—or they can address outputs by seeking to equalize relative levels of success—for example, by applying what one might call a "luck tax" on those who have benefitted from favorable luck and then redistributing the proceeds to those who have suffered from unfavorable luck. I argue, however, that neither of these methods has a reasonable chance of reliably picking out those people who meet criteria (1), (2), and (3) stipulated earlier or reliably getting the proper compensation to those we believe deserve it and not to others who do not deserve it.

Policies applied at either the federal or state levels are general and thus must treat populations as being composed of relatively homogenous and fungible units. An input-based policy of providing, say, some equal level of funding per pupil to every school district cannot be sensitive to the fact that a single level of funding would be significantly more impactful in some places than in others and significantly more impactful in some people's lives than in others'. Even more particularized policies of, say, discounting the funding according to localized costs of living are, in addition to being more difficult to administer (and thus introducing more potential opportunities for actual implementation to differ from what was intended),[5] nevertheless still unable to discriminate among those individuals in the intended population who have had good luck and those who have bad. Some people in poor areas have better luck than others; the same is true in wealthy areas. Even if a greater proportion of those in the former areas have bad luck than those in the latter areas, nevertheless a general policy of providing any particular level of funding will fail to pick out which individuals have suffered bad luck and which have enjoyed good luck. It will instead treat individuals in the relevant populations according to some specified and relatively objective criterion, such as income or wealth. But no policy can be designed to address luck directly because there is no way to directly equalize luck in people's lives—only some of the consequences of luck. Thus, any actual policy will inevitably fail to be responsive to morally relevant differences in different individuals' circumstances (see Frankfurt 1987).

A similar problem besets other general redistributive polices. A universal basic income, for example, or a progressive income tax assumes, if it is to be justified on LE

5. More particularized laws or regulations require more levels of administrative adjudication. Kristin Wilson and Stan Veuger find in the context of bank regulations that more such levels introduce "exogenous information frictions" in "the form of costly investments in expertise or direct engagement" with beneficiaries; they conclude, "This raises concerns of fairness and . . . may hinder the efficient allocation of capital" (2016, 209). The fairness concern arises in part because of the necessarily large amount of discretion granted to the program administrators, and the reduced inefficiency results in part from the uncertainty to which this discretion leads. These problems are generalized, however, and not restricted to banking regulation.

grounds, that all of the people within the respective tax or welfare groups it distinguishes have experienced the same levels and kinds of luck. But that cannot be known from afar. Moreover, the assumption is also almost certainly false: no two people—even two people from similar demographic backgrounds, even two people within the same family—experience the same levels of luck and have the same consequences from luck in their lives. So a general redistributive policy will have the effect of compensating some people who have suffered bad luck (the intended target of benefit) as well as some people who have not suffered bad luck (who would hence become undeserving beneficiaries). It will also draw from the resources of both some people who have enjoyed good luck (the intended target of the "luck tax") and others who have not (who would hence become undeserving victims).

Although it is relatively clear how we can capture in general rules things such as assault, theft, and fraud, it is not clear how we can capture in similarly general rules things such as *"this proportion of this person's (lack of) success in life is due to undeserved luck"* because any general rule we design to pick out and redress undeserved luck will end up in practice being blind to morally relevant distinctions in individual circumstances. It will thus wind up wrongly punishing or rewarding at least some people for circumstances that were not due to luck. One might perhaps think that merely stipulating a principle of redressing only those cases of bad luck that ought to be redressed could solve this problem. This might be, for example, Anderson's response. She proposes what she calls "democratic equality," which she claims "guarantees all law-abiding citizens effective access to the social conditions of their freedom at all times" (1999, 289). But her claims about what her democratic equality "guarantees" do not address how it could plausibly do so via policy, especially since such policy would have to be administered by people with incomplete knowledge of localized circumstances and with mixed and often idiosyncratic incentives that can lead them to act in ways that depart from the policy designers' intentions.[6] Thus, Anderson's argument simply stipulates the political-economic problems away rather than addressing, let alone solving, them.

Is a Proposed Redistribution Worth the Cost?

The third consideration I raise against the LE argument is that it fails to consider relevant trade-offs and opportunity costs. Richard Arneson claims that "the absolute value of the gain that further aid can provide the [disaffected] person might vary from enormous to piddling" (2012, 158), but he fails to ask what else the contemplated aid might do. We live in a world of scarce resources and opportunity costs. This means that any resource distributed to one location cannot go elsewhere. To know whether a proposed distribution is beneficial overall, we need to know what the alternative uses of that resource are.

6. On the incompleteness of knowledge, see Hayek 1945 and Otteson 2014, chaps. 2 and 3; on administrators' mixed motives, see Buchanan and Tullock 1962.

Compensating one person for his bad luck entails depriving others of benefit, and it might easily be the case that the benefit denied to these others may outweigh the benefit granted to the compensated person.[7] Allocative arguments are certainly easier to make if we assume scarcity away, but it is not clear that such arguments warrant political-economic consideration: *all* logically consistent allocations are possible without scarcity.

Arneson also argues that if "we hold that equality is valuable for its own sake," then with respect to "worsening the condition of those who have more without making anyone else better off, and without bringing it about that those whose condition is worsened are now worse off than others, we must hold that at least in one respect the state of affairs just described is better than the one it displaces" (2012, 159).[8] But the conclusion does not follow. Granting that equality is valuable for its own sake does not entail that it is the *only* thing valuable for its own sake, and trade-offs will almost certainly be required in a finite world with scarce resources. Perhaps community, happiness, liberty, and virtue might also be valuable for their own sakes.[9] However we would prioritize these values, we cannot maximize for all of them at the same time. So it is not enough to say that because equality is valuable for its own sake, it therefore follows that we should maximize for it. We further need to know *(a)* why equality is the *only* thing valuable for its own sake, a claim that seems prima facie implausible given other candidates that also seem valuable for their own sakes, or *(b)* what the relevant trade-offs would be and why and when they are worth making (which includes a reckoning of the opportunity costs of the relevant trade-offs). These are crucial but crucially missing elements in the LE argument.

Egalitarian Respect

Anderson criticizes other luck egalitarians on the grounds that they are concerned "only with the distribution of goods themselves" instead of being "concerned with the relationships within which goods are distributed" (1999, 314). This criticism points to an important moral claim: a proper conception of equality should, whatever else it does, endorse an equal respect for the dignity of all. It is not an egalitarianism of luck, of wealth or income (see Piketty 2014), of capacity (see Nussbaum 2011 or Sen 1992), or of outcomes (see Fleurbaey 1995): it is an egalitarianism of respect. I believe this conception is a critical moral principle, indeed a foundational principle of any political economy worth contemplating.[10] But it points in a different direction from that in

7. It should be noted that making one party better off at the expense of others violates the economic concept of Pareto optimality, although not everyone accepts it as a criterion.

8. Arneson takes his argument to surprising lengths: "Suppose that we are not able to transfer resources from rich to poor and can compress the distribution of income and wealth only by leveling down. Maybe the only thing we can do is burn down the mansions of rich people, with no gains in the income or wealth of anyone else. So be it. Burning down the mansions of rich people is then morally required" (2012, 167).

9. G. A. Cohen suggests community (2009, 34–45); Arneson suggests social justice and happiness (2012, 167).

10. I defend and elaborate on this principle and its application to policy in Otteson 2006.

which Anderson wants to take it. Rather than entailing that the state ensure everyone "[has] the means to do what one wants" (Anderson 1999, 315), it entails instead that we respect the choices people make—even when those choices lead to unequal outcomes or to consequences that the choosers did not want. That is the point of the Jack-and-Jill and coffee-shop examples: Jill's choices led to consequences Jack did not want, just as the choices of patrons who preferred CSB to CSA led to consequences that the owner of CSA did not want. But respecting the equal dignity of all requires that we respect their choices, even when some others do not like or do not benefit from those choices, and that we grant to no one preemptive rights to others' time, talent, and treasure. If we accept, moreover, an Adam Smithian "negative" conception of justice as requiring respect of people's persons, property, and voluntary promises (Smith [1759] 1976, 84), then this egalitarianism of *respect* follows from an egalitarianism of *justice*. This egalitarianism, I submit, is one that is worth defending and one that has the considerable additional benefit of being achievable.

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