

Discussion Guide, Advanced

Episode 3

Utilitarians think that the right thing to do is whatever produces the greatest amount of happiness. Libertarians disagree. They think that we must never violate anyone's "rights"—even if doing so would increase overall happiness.

According to libertarians, the greatest threat to individual rights comes from the government. Libertarians think that many kinds of laws violate people's rights. Whenever the government prohibits a self-endangering activity—like driving without a seat belt—it is being unacceptably paternalist. Whenever the government prohibits deviant but harmless behavior—like nonstandard sexual practices—it is being oppressive. Whenever the government taxes people for redistributive purposes, it is stealing from them and forcing them to work for the benefit of other people.

A good way to kick-start a discussion about libertarianism is to examine what libertarians say about redistributive taxation.

Distributive Patterns and Liberty

Robert Nozick, a libertarian philosopher, has three arguments against redistribution. The first argument observes that government tends to redistribute wealth according to some pattern. For example, it tends to tax rich people and spend money on poor people, so that there is more *equality* in the distribution of income, wealth, and other resources. But, Nozick believes, it is not possible to maintain a pattern like equality without restricting people's *liberty*

Suppose everyone in the United States had the same amount of money, and we all gave 25 cents to Michael Jordan in exchange for the pleasure of watching him play basketball. Then Jordan would have much more money than everybody else, and there would no longer be a pattern of equality. To *restore* the pattern, the government would have to take the money we gave to Jordan and give it back to each of us. And to

maintain

the pattern, it looks like the government would have to permanently forbid us from doing what we want with the money we have.

According to Nozick, this thought-experiment shows that all taxation for redistributive purposes is unjust. But is that right?

1.

Must the government stop trying to make poor people less poor, and sick people less sick, and so on, or is it possible to maintain a desirable pattern *without* restricting people's liberty to do what they want with what they own?

2.

Even if it's not possible to maintain a desirable pattern without restricting liberty somewhat, is Robert Nozick right to think that people should have the liberty to do *whatever* they want with the things they own?

3.

Is it permissible for the government to regulate market transactions with an eye on the effects they have on the participants and other people?

4.

Is it permissible for the government to pass laws against price gouging in the

wake of a natural disaster?

5.

Is it permissible for the government to regulate employment contracts? Are minimum wage laws really unjust?

6.

Is it permissible for the government to insist on health and safety standards in workplaces?

7.

Is it permissible for the government to block companies from forming a monopoly?

Redistributive Taxation and Forced Labor

Nozick objects to patterns like equality for a second reason. Maintaining a pattern requires taking a richer person's earnings and giving them to a poorer person. But, thinks Nozick, taking the earnings of two hours of labor from the rich person is like taking two hours from the rich person. It is like forcing the rich person to work for two hours for the benefit of the poor person. Therefore, says Nozick, redistributive taxation is like forced labor. Is Nozick right?

1.

Is redistributive taxation really like forced labor? Forced labor is a kind of slavery. Are rich people who have to pay taxes like slaves? In what sense?

Justice and What Really Happened

Nozick's third argument against redistribution says that redistribution is incompatible with an "historical" view of justice. If something was originally acquired justly, and later transferred justly, then Nozick thinks it is now owned justly—and neither the government nor anyone else should be allowed to take it away.

1.

Is an "historical" view of justice incompatible with redistribution? Many things that are owned today—money, land, natural resources—were *originally* acquired by force and violence, through war and colonization. What should be done about that? Shouldn't there be some compensation and redistribution?

2.

How is it that people can initially come to acquire something *justly*? Is it simply a matter of finders keepers or first come, first served, or are there other conditions? Are these conditions compatible with redistribution in the future?

3.

What about unjust historical transfers? Many things owned today were stolen from someone a long time ago. How should we deal with that?

4.

More generally, what is required for transfers of justly owned things to be just?

5.

Must people be well-informed buyers in order for transfers to be just? If so, then do we need consumer rights legislation? Do we need a consumer rights bureau empowered to investigate complaints?

6.

Must people have reasonable alternatives in order for a transaction to be just? If so, then do we need welfare and minimum wage laws to make sure that people are not exploited when they're desperate?

7.

If we need any of these background institutions to ensure the fairness of individual voluntary transfers, is it permissible to tax people in order to pay for them?