

On Van Parijs' Real-Libertarian Basic Income Proposal

*A Critical Examination of the Connection
between the Basic Income and Justice as
Real Freedom*

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Abstract

Philippe Van Parijs ascribes to a conception of justice that he terms real-libertarianism. Real-libertarianism holds that social justice should be properly understood as a situation where, subject to equal formal rights for all being respected, opportunities are distributed so as to maximize everyone's real freedom, i.e. their effective capacity to turn material means into opportunities and to utilize these opportunities in accordance with their own conception of the good. In order for relevant equality in the capacity to turn means into opportunities to obtain, no-one person should be universally viewed as absolutely disadvantaged in comparison to others with regard to this capacity.

Subject to the satisfaction of this criterion, termed "undominated diversity", the direct institutional implications of ascribing to the real-libertarian conception of justice is, according to Van Parijs, that we should implement a basic income payment to all of society's members at the highest sustainable level. The justification given for the payment of the basic income is that it will supply the people with the least opportunity with as much opportunity as they can possibly have.

This thesis critically examines the connection between this real-libertarian conception of justice and Van Parijs' specified proposal for a basic income. It argues that the basic income cannot be justified by simple reference to the real-libertarian criterion of distributive justice, called "leximin opportunity". Rather, it is shown that Van Parijs' normative case for a basic income rests on his application of conditions of envy-freeness and the liberal neutrality postulate.

Further, it is argued that Van Parijs has not convincingly shown that the effective implementation of a basic income will operate in accordance with said conditions, and hence that his real-libertarian case for a basic income is weakened. The discussion leading to these preliminary conclusions is focused on the question of whether or not Van Parijs has been successful in showing that the basic income he prescribes will remedy inequalities that must be regarded as unjust on the real-libertarian view. From a purely theoretical standpoint, it concludes that there is a high probability for, and therefore reason to believe, that the answer to this question will be negative.

Foreword

First and foremost, I want to extend my gratitude to my supervisor Robert Huseby for helpful comments, stimulating conversations, and, more generally, for a generous use of time in the course of my work with this thesis. I also want to thank Robert for the organization and excellent instruction of the course STV4102B: *Political Theory – Modern Theories of Distributive Justice*, which has contributed to reinforce my interest in the subjects discussed herein.

I also want to express a general sense of gratitude for living in, and being part of a society that has given me, as well as many others, the effective opportunity to spend a considerable amount of time delving into studies that are not of the most marketable kind, without having to sacrifice economic security, and regardless of personal economic means.

Last but not least, I want to thank my family and my partner Ane for always being supportive.

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1 Introduction

This thesis examines a particular proposal for a basic income set forth by Philip Van Parijs that is grounded in a conception of justice that emphasizes the enhancement of individual freedom. But before we move on to look closer at this conception of justice and the specified basic income scheme it is said to prescribe, and as a way of introduction to the general theme of the thesis, a few words will be said about the political and academic discourses concerning basic income and similar ideas.

A general definition of a basic income is a cash income payed out to all of society's members regardless of whether they work or not and regardless of prior means. Proposals directly related to this general idea has been presented under many different names, e.g. Universal and/or Unconditional Basic Income, Citizen's Income, Universal Grant, Demogrant, Social Dividend and Guaranteed Annual Income. In addition, similar ideas have fuelled other proposals such as Milton Friedman's Negative Income Tax, Anthony Atkinson's (1996) Participation Income, and the Stakeholder Grant proposed by Bruce Ackerman and Anne Alstott (1999) on the grounds that it facilitates effective equality of opportunity.

A basic cash endowment as an entitlement of social membership in a society, was to my knowledge first proposed in the 1790s in the posthumously published writings of Nicolas de Condorcet, as well as in Thomas Paine's *Agrarian Justice* (1796). The idea was that people have a rightful entitlement to their natural inheritance and the means for independent survival, and that a national fund should be created in order to distribute a cash compensation to every individual for the fact that land was privately owned.

The specific idea of an unconditional basic income was proposed on a very similar principled account by Joseph Charlier in 1848, under the name of a Guaranteed Minimum. He argued that since every man has a right to live, every man also has a right to the means of subsistence. Given private property laws and the restrictions of use on what he regarded as a common inheritance of natural resources that they represented, he argued that it should be the role of the state to guarantee this subsistence (Cunliffe, Errygers, and Van Trier 2003, p. 18-19). Another principled case for a so-called state bonus scheme – a basic income for all citizens of the UK – was published in 1918 by Dennis and Mabel Milner, both members of the British Labour Party. Their justifications for the scheme was broad, and included

promotions of both equality, liberty, self-development and human dignity (Cunliffe, Errygers, and Van Trier 2003, p. 23). The same year, Bertrand Russell also published a plea for a guaranteed income sufficient for necessities in his *Proposed Roads to Freedom* (1918).

George D.H. Cole, a political theorist and economist who also regraded a basic income as an entitlement running from a common social inheritance, seems to have been the first one to use the terms “social dividend” and “basic income” to denote the concept. The latter term became popularized when the discussion became more international in the 1980s. However, the economist and Nobel Prize winner Jan Tinbergen used the Dutch equivalent “basisinkomen” already in 1934 in discussions on the political program for the Dutch Labour Party (Birnbaum and Widerquist 2017). Another Nobel laureate who actively tried to make the idea a political actuality was the American economist James Tobin, who was able to incorporate it under the name “Demogrant” into the platform of the Democratic Party’s nominee for President in the US in 1972, George McGovern, but it was dropped before the election the same year. In the same period, the Presidential administration of Richard Nixon tried, but failed, to implement the Family Assistance Plan. The plan was very similar to Friedman’s Negative Income Tax in that it proposed pay-outs of a guaranteed income to families that fell below a set income threshold.

In a period stretching from the late 1960s till the late 1970s, five different experiments investigating the effect of such a negative income tax was conducted in the US and Canada. The results from these experiments have been analysed by, among others, Hum and Simpson (1993), Forget (2011) and Calnitsky and Latner (2017). Also, a range of studies that reported on different indicators of the recipients’ wellbeing was published in the late 1970s and the 1980s (cf. Widerquist 2005). According to Steensland (2008, p. ix), “[..] guaranteed annual income plans were the welfare reform strategy of the late 1960s and 1970s [in the US].”. Research on the many different aspects of the basic income idea has increased both in number and in magnitude in recent years. The journal *Basic Income Studies*, first published in 2006, gives a good overview of this recent research. So does the book *Basic Income: An Anthology of Contemporary Research* edited by Widerquist et al. (2013).

In the late 1970s and early 1980s, the basic income idea also became a part of the social and political discourse in Denmark, the Netherlands, Germany, the UK, and France (Birnbaum and Widerquist 2017). In addition to the abovementioned countries, basic income has later appeared in electoral campaigns in Australia, Belgium, Ireland and Finland, and

different national governments and parliaments, as well as political parties, have requested, sponsored or analysed reports on basic income (Widerquist et al. 2013, p. xx). And in 2016, the population in Switzerland voted against the implementation of a universal basic income.

The abovementioned proposals and debates amounts to only a fraction of the many different principled, as well as practical, justifications for differently specified variations of the basic income idea.¹ The particular conception of social justice and the appurtenant proposal for a basic income that is to be discussed in this thesis, is presented and argued for at length in Phillippe Van Parijs' book *Real Freedom for All – What, if anything, can justify capitalism* (1995), as well as in articles published both before and after the book. It is arguably one of the most well-known and extensively discussed normative justifications for why a basic income should be viewed as a desirable and just institution within modern democratic societies. The conception of justice Van Parijs (1995) develops conceives of individual freedom as being of paramount ethical importance. The prerequisite for this individual freedom is uncontroversially taken to be a fundamental structure of formal rights, while the substratum for the effective utilization of the very same freedom is convincingly argued to be the material means with which people are individually endowed. Against the backdrop of free societies as characterized by a plurality of substantive views, Van Parijs is convinced that social justice is exclusively a matter of enhancing individual freedom so that people can live their lives in accordance with their own conceptions of what constitutes the good life. What justice require of the organization of our social and political institutions is thus that we aim at making every individual member of society as free as she possibly can be to do whatever she might want to do, subject to everyone's formal rights being properly secured (Van Parijs 1995, p. 5, 25, 27).

Van Parijs (1995) argues that the direct and exclusive consequence of holding this particular view of what social justice consist in, is that the highest sustainable basic income, the level of which is roughly given by the per capita value of society's social product, is incontestably justified and should be implemented so that every member of society is supplied with the most extensive opportunities to utilize their formal rights. In the language of Wright (2000), he takes this to be a real utopian proposal for a just distribution, implying that the emancipatory visions of the proposal are developed in a way that is attentive to practical

¹ For a more thorough review of the history of basic income proposals and debates, see Cunliffe and Errygers (2004), Widerquist et al. (2013) and Van Parijs and Vanderborgh (2017).

questions of institutional coherence and workability (cf. Ackerman, Alstott and Van Parijs 2005). About these kinds of utopian endeavours, Van Parijs (2013, p. 171) has written:

Utopian thinking consists of formulating proposals for radical reforms, justifying them on the basis of normative principles combined with the best possible scientific analysis of the root causes of the problems the proposals are meant to address, and subjecting these proposals to unindulgent critical scrutiny.

This thesis is primarily an exercise in the latter of these three components of what Van Parijs takes to be proper utopian thinking. What is to be critically examined herein is the argued connection between Van Parijs' conception of what social justice consists in and the basic income he contends is directly justified by it. Hence, it supplies a presentation of Van Parijs' theory of what a just society looks like, based in a priority-ordering of three central principles, a presentation of his proposal for the implementation of a basic income together with some of its anticipated effects, as well as a critical examination of the justification Van Parijs has given for why an implementation of his proposed basic income scheme will bring about what he regards as a just state of affairs. On the background of this examination, it is argued that there is an inconsistency between Van Parijs' egalitarian aim of prioritizing the enhancement of opportunities for those who are relatively disadvantaged in this respect and the probable results of implementing his specified basic income scheme. I therefore contend that the basic income will not necessarily distribute freedom in the way Van Parijs would regard as just. Conversely, by failing to properly target the distribution of freedom that the basic income is intended to represent on those who enjoy the least of it, it may end up distributing freedom in socially excluding ways that should be seen as morally objectionable on Van Parijs own account of what social justice consist in. Holding this position revitalizes an objection that has been levelled against the basic income idea many times before, but that Van Parijs (1995, ch. 5) thinks he has decisively overcome, viz. that the basic income will enable some individuals to free-ride on the products of their fellow citizen's labour in morally troublesome ways.

This illustrates how the questions that are discussed in this study are directly relevant for practical-political questions of what a just and well-functioning distribution should effectively look like. I regard these kinds of studies as important particularly because they explicitly connect abstract philosophical questions and considerations with present-time practical-political questions of organization, and in this way makes the philosophical aspects

of political theory relevant for the ongoing political discussion as such. Hence, I hope that this study represents a good example of how political philosophy is a form of “practical philosophy”, as it is also regularly called, which operates in relation to the study of our social history as well as to our social prospects.

1.1 Thesis Questions – and the reasons for asking them

A substantial part of the scholarly field of normative political theory is occupied with answering the question of what constitutes a just distribution (Lamont and Favor 2013). This thesis is essentially intended as a modest contribution to this task. The research question that is to be studied and presented herein is, in its most general formulation, the question of *whether or not the institutional setup of distribution that Van Parijs prescribe will be successful in bringing about a just state of affairs*. What effectively represents this just state of affairs is, in the exclusively evaluative part of this thesis, given by Van Parijs own real-libertarian conception of justice. It thus represents an evaluation of Van Parijs’ argument on its own theoretical premises.

Van Parijs general argument is that from a view that treats justice as a matter of individual freedom, the *first-best* solution to truly achieving justice is through the distribution of an individual basic income to all at the highest sustainable level. This is because the basic income will, if sufficiently large, supply the material means that people need in order to utilize the opportunities that are formally open to them. Real individual freedom is seen as a matter of opportunities that people can effectively use, and the highest sustainable basic income is said to be just in the sense that it supplies the people with the least of these effective opportunities with the most opportunity they can possibly have.

On this background, the more specified question, set within the parameters of Van Parijs’ normative political theory and the distributive proposal it prescribes, is then: *Is Van Parijs successful in showing that the basic income scheme he suggest constitutes a first-best solution to remedy what his applied theory of justice regards as unjust inequalities?*

What is to be evaluated is thus if Van Parijs has satisfactorily argued for how his proposed institutional setup (basic income) will bring about what he himself views as a just state of affairs (real freedom for all), by unjust inequalities being properly compensated for. At the very end of this study, however, I will also make a humble effort to challenge Van Parijs' conception of justice as such by introducing a set of normative principles that I regard as arguably more plausible than the ones held by Van Parijs himself. The principles I will advance are grounded in a certain value and practical importance ascribed to concepts of solidarity and reciprocity. As I hope will be made evident by the end of the discussion conducted in this thesis, the main disagreement between Van Parijs' position and my own is invoked by opposing answers to the question of whether or not these concepts should be given consideration in formulations of what is just and fair.

Even though this might be evident to some readers, it is important to note that the question at hand will be answered on a purely theoretical level. Even though we will sometimes have to move beyond strictly normative considerations in order to treat Van Parijs' conception of justice and his effective distributive proposal, respectively, in a fair and proper way, we will still stay well within the confines of political theory and social choice and welfare theory, two branches of social theory, that, when concerned with distributive questions, are essentially intertwined (cf. List and Valentini 2016, p. 4-5).

The reason for asking these questions is that I do not believe Van Parijs (1995) has been successful in formulating a cogent argument for how and why the implementation of a basic income at the highest sustainable per capita level will yield the highest obtainable amount of freedom for whoever has the least of it, which is the condition of justice his normative theoretical work is primarily concerned with. This is, however, mainly a problem at the theoretical level. Thus, even though there may be inconsistencies in Van Parijs' proposal, the basic income idea may still be worth promoting as a means for a more just and egalitarian distribution of opportunity-enhancing resources. It is therefore also an idea that should be of great interest, both theoretical and practical, for those interested in the question of how best to bring about a state of affairs that is in accordance with our moral convictions.

1.2 A Note on Theory and Methodology

This thesis is a study in political theory, or, more precisely denoted, it's a study in normative political theory. Political science is mainly a matter of developing and evaluating descriptive and explanatory statements about empirically observable political phenomena, and is therefore primarily concerned with empirical and positive questions. It is, ideally, strictly objective and based in observable facts. The term "normative political theory" refers to a subfield of philosophy and political science that is particularly concerned with questions of a conceptual, evaluative, and normative nature that address the social make-up and organization of society and politics (List and Valentini 2016, p. 1-2). Examples of these types of questions that are directly relevant to this study include: What constitutes a just society? How should freedom be properly understood, and what does it mean for an individual to be free? How can we measure freedom? When, and why, is one distribution of resources morally preferable to another?

Political theory and political science largely complement one another. Effective answers to the above stated questions could, and indeed often should, be guided and constrained by empirical considerations, e.g. in situations where our moral considerations clash with feasibility constraints. Conversely, what we choose to study empirically may be inspired by these kinds of normative questions. Further, how we choose to study a political phenomenon may also be guided by conceptual considerations regarding how to properly define the phenomenon we want to study.

Analogously, descriptive statements and normative statements complement one another in the same way. While descriptive statements are strictly descriptive in the sense that they describe observable empirical phenomena, normative statements are normative in the sense that they contain a value judgement. Both normative and descriptive statements can be viewed as necessary parts of politics. For instance, the essentially political questions of how we should interact socially with others, and how we should organize society, are both questions that invoke value judgements (as well as descriptive considerations). Any answer to a question asking what we *should do*, presupposes a normative premise, and more often than not also a descriptive premise. To illustrate this in a way that is directly relevant to the theory that is to be examined in this study, we can stipulate a hypothetical answer to the question of how to obtain social justice. This question has both a normative and a descriptive premise, as

it is concerned with how to obtain social justice in the real world with regard to underlying moral considerations. For our normative conclusion to be valid, it has to be logically deduced from these two premises.

In accordance with Van Parijs' theory, our way toward a normative conclusion to the question of how to obtain justice starts from the normative premise that says *justice requires that the opportunities of those with the least opportunities are as large as is possible, other things equal*. We then move on to the descriptive premise, also derived directly from Van Parijs' theory, saying that *an unconditional income stream payed out to all at the highest sustainable level (Van Parijs' basic income proposal) secures the largest possible opportunities for those with the least opportunities*. If both the normative and the descriptive premise is valid, the normative conclusion that can be logically deduced from these premises is also valid. The normative conclusion that by logical inference follow from the two stated premises is: *if we want to obtain justice, we should implement a basic income, other things equal*. The validity of these two premises is essentially what is to be critically examined in this study.

Within the general social sciences, there is a large and ever increasing literature on how to answer and evaluate empirical questions and statements. The central purpose of this literature is to develop ever more rigorous methods for securing the reliability and validity of our empirical inquiries that are carried out through, e.g., quantitative statistical analysis or more qualitative studies. And, as was just illustrated, the logical validity of a (normative) conclusion can be assessed by examining if it follows logically from its premises. But how can we assess the validity of a normative premise? One possible answer is that they should coincide with our considered moral judgements about a particular state of affairs. These considered judgements can then be treated as data that underpin or challenge our normative theories, similar to how empirical observations are treated as data in empirical analysis. The principles and theories that best correspond to our most convincing considered judgements, can by this standard be regarded as the most reliable ones. This is essentially the method of reflective equilibrium, first explicitly defined as such by Rawls (1971/1999). According to Daniels (2016):

The method of reflective equilibrium consists in working back and forth among our considered judgments [...] about particular instances or cases, the principles or rules that we believe govern them, and the theoretical considerations that we believe bear on accepting

these considered judgments, principles, or rules, revising any of these elements wherever necessary in order to achieve an acceptable coherence among them. The method succeeds and we achieve reflective equilibrium when we arrive at an acceptable coherence among these beliefs.

This view of justification is thus based on testing our different beliefs against one another in order to reach coherence among them. Of course, holding mutually exclusive beliefs would be untenable if we want our thinking to be rational. So, if our considered judgements are not in accordance with our theory, the relevant judgements have to be rejected, or the theory has to be revised or ultimately rejected. In this way, theory is scaled against considered judgements until we reach the endpoint of reflective equilibrium, which yields coherent justification. The method of reflective equilibrium is, though also criticized (see e.g. Singer (2005)), widely regarded to be an adequate, even if only tentative and relativistic, way to justify our moral convictions and theories (Daniels 2016; List and Valentini 2016, p. 17; Rawls 1999, p. 18-19, 42-46). As an example, James Ladyman (2002) seems to be of the opinion that all critical thinking does to some degree employ methods that are similar to reflective equilibrium. For him, this is the case both when we evaluate scientific theories within the philosophy of science and when we evaluate normative theories within moral philosophy, as well as when we try to reach a justified position within all other areas of philosophy (Ladyman 2002, p. 54, 84).

The field of normative political theory is also interconnected with the branch of contemporary political theory commonly called “analytic” political theory (Sommer Hansen and Flinch Midtgaard 2016, p. 13). According to List and Valentini (2016, p. 1), the designation “analytical” should not be interpreted narrowly, and it “[..] is meant to refer to an argument-based and issue-oriented, rather than thinker-based and exegetical, approach that emphasizes logical rigour, terminological precision, and clear exposition.” This is a contemporary philosophical tradition, they rightfully claim, that is not confined to conceptual analysis, but that is also centrally occupied with the development and examination of coherent normative theories, at least since the publication of Rawls’ *Theory of Justice* (1971/1999). But how can we distinguish those normative theories that are essentially *political* from other kinds of normative theories? One popular methodological suggestion is, following such liberal thinkers as Berlin (1969) and Rawls (1996; 1997), that within modern constitutional democracies, legitimate political action and thought, and thus political theory, is constrained by the fact of reasonable disagreement and pluralism. What can be generally regarded as

legitimate politics is thus constrained to procedures that can reasonably be accepted from a plurality of substantive views (or “comprehensive doctrines”, which is the term Rawls regularly use). The particular aspect of normative political theory as compared to other forms of normative philosophy can thus be said to be that normative political theorizing is, or should be, constrained by, and operate on a background of respect for, the fact that reasonable people may reasonably disagree about a number of things. This can then be seen as a premise for normative political theorizing given by the existence of reasonable pluralism, a pluralism of views and opinions that it is morally important to respect when addressing political questions within societies with democratic institutions. Thus, a desideratum for the general legitimacy of a political theory is that it should, at least in principle, be acceptable to people who hold reasonable but conflicting moral views and who live within the same pluralistic society (List and Valentini 2016, p. 22). This is essentially the methodological approach taken by Van Parijs (cf. 1995, p. 29; 2003, p. 202).

Further, and as the quote from List and Valentini (2016) indicate, normative arguments and discourses should always strive to be both as thorough and as comprehensible and explicit as possible. When presenting arguments, we should thus aspire to be as clear as possible about what we think the presentation of our particular arguments is achieving. In any philosophical discussion we should thus try to explicate if an argument supports our own position, or if it simply goes against some other rivaling position. We should also be clear about how decisive our arguments are, and thus explicate if an argument refutes or simply challenges a rival position, or alternatively, if an argument simply supports or decisively establishes our own position (Cohen 2011, p. 225-226). In a similar context, Malnes (2015, §14.4) emphasize comprehensiveness and acuteness when we present or evaluate normative theories. Comprehensiveness basically means that all factors that are relevant to the theory at hand are properly taken into consideration, while acuteness refers to how thoroughly each of these relevant factors are examined for normative importance. They should be applied as methodological norms to make sure that no normatively relevant factor is left unexamined or given insufficient attention (Malnes 2015, p. 37).

In the particular case of normative political theory, Cohen (2011, p. 227) also press the importance of properly distinguishing between three fundamental questions that are often confused with one another or simply handled as being essentially the same questions. These questions are: (1) What are the correct principles of justice? (2) What should the state do? (3)

Which social state of affairs should be brought about? I will not here go into the specifics of how Cohen (2011) think these questions can be confused or the potential consequences of such confusion. I will rather just point out that the separation of these questions from one another are directly relevant to what has been said above about drawing conclusions from normative and descriptive premises. This is because question (1) is arguably not affected by descriptive premises, while question (2) and (3) are affected by descriptive premises to varying degrees, which will (as we have just seen), have consequences for what constitutes satisfying answers to these distinct questions.

In this thesis, I will not address the soundness of the abovementioned methodological considerations. And even though they may be regarded as tentative at best, I will rather simply assert that they are to some degree adhered to, or at least considered to be plausible and adequate ground rules for political theorizing, within most modern and democratically minded political theories and normative discourses. I will therefore also aspire, to the best of my ability, to develop the evaluative study that this thesis represents in accordance with the abovementioned norms of conduct within the field of normative political theory, in order to try to make it a generally tenable contribution to the ongoing discussion of how to best justify a basic income from an essentially normative perspective.

1.3 Thesis Outline

This thesis is divided into six chapters, including this introduction. To answer the question stated and explained in section 1.2, a relatively comprehensive outline of what Van Parijs thinks social justice consists in, which he calls the real-libertarian conception of justice, will be presented in chapter 2. This conception amounts to the normative claim that justice is exclusively a matter of supplying each individual person with the greatest possible opportunity to do whatever she might want to do (Van Parijs 1995, p. 5, 25, 27). This claim's institutional implications is said to be that a basic income is to be paid out to all as a matter of justice. Chapter 3 presents the specific basic income scheme proposed by Van Parijs (1995; 2004) as well as a related non-normative argument for a basic income made by Van der Veen and Van Parijs (1986). These chapters are mainly devoted to necessary explanations and

clarifications of real-libertarianism and the basic income it prescribes. Hence, they take the form of a coherent interpretation rather than critique.

In chapter 4, Van Parijs' (1995) real-libertarian justification for the basic income is presented and discussed, and the critical examination of the connection between the real-libertarian conception of justice and the basic income Van Parijs prescribes starts to take form. In chapter 5, this examination is specified so as to answer the question this thesis asks, viz. if the basic income remedies inequalities that must be regarded as unjust from the real-libertarian position, and relevant arguments for and against positive as well as negative answers to this question are discussed. Lastly, Chapter 6 is reserved for formal conclusions.

2 Van Parijs' Real-libertarianism – Real Freedom Through a Basic Income

In his book *Real Freedom for All* (1995), Philippe Van Parijs develops a conception of social justice that he terms *real-libertarianism*.² Van Parijs' starting point in the elaboration, and the subsequent discussion and defence, of this conception is grounded in his view of individual freedom as a condition of paramount ethical importance in conjuncture with a conception of the large observable inequalities in modern capitalistic societies as being morally unacceptable (Van Parijs 1995, p. 1, 5, 29). A just society is according to real-libertarianism a society whose members are maximally free, in the sense that every individual within a just society is as free as is possible. Van Parijs contend that in order for society to supply its members with the highest attainable degree of freedom, it needs to satisfy three conditions (Van Parijs 1995, p. 25). The first one of these conditions is security, constituted and consolidated through the enforcement of a structure of formal rights (or formal freedom, as it is often termed within discussions on liberal rights). The second condition holds that this structure should incorporate a notion of self-ownership, so that every individual fully owns herself. The third condition spells out what constitutes real freedom as opposed to mere formal freedom, and also stipulates what Van Parijs thinks distributational justice consist in. It says that every individual should have the greatest possible opportunity to do whatever one might want to do. According to Van Parijs, the immediate consequence of this third and most central component of a “really” free society – or, more precisely, a society of “really” free people – is that everyone of its individual members are entitled to a universal and unconditional basic income. In this chapter, the different components of real-libertarianism will be elaborated on through a presentation of Van Parijs' specific conception of justice. What a basic income is, as well as Van der Veen and Van Parijs' (1986a) initial non-normative argument for the scheme, will be the subject of chapter three.

² Whenever I use the term “real-libertarianism” in this thesis, I will be specifically referring to Van Parijs' particular conception of justice. When I use the term “real-libertarian(s)” I am referring to people who ascribe to this conception of justice.

2.1 A Just Society: A Society of Maximally Free People

The normative discussion in *Real Freedom for All* (1995) is centred on the question of what constitutes a just distribution; a distribution that would enable every individual member of society to be as free as she possibly can be. In order to determine what such a free society would look like it is thus necessary to clarify what a plausible conception of the term freedom should consist in. A well-known distinction used to elucidate the content of freedom is the distinction between positive and negative freedom, as it is spelled out by Isaiah Berlin (1969). Negative freedom refers to the absence of restrictions on an agent's scope of action. It is freedom *from* coercion or the interference of other people, and is often directly associated with a set of formal rights and individual sovereignty. Positive freedom is conversely understood as the presence of the ability to conceive goals and act to realize these goals in self-directing ways (Berlin 1969, p. 131). It is the freedom *to* do something guided by one's own reasons.

In order to properly understand the meaning and value of freedom, Van Parijs tells us that we should not confuse freedom with power. Being equally or maximally free is not the same as having equal or maximal power. A maximally free society is therefore not the same as a maximally democratic society (Van Parijs 1995, p. 8). Freedom should be understood as a concept that stretches beyond the right and ability to partake in collective decision-making, and a society where every single permissible action (even the scratching of one's own nose) is decided upon democratically can therefore not be said to coincide with a society whose members are maximally free. Van Parijs' conception of freedom is thus one that is closely connected to the notion of individual sovereignty as opposed to collective sovereignty or autonomy, and is in this respect placed on the side of interpretations of negative freedom (Van Parijs 1995, p. 17).

The difference between the concepts of negative and positive freedom are often thought of as the difference between factors that are external and factors that are internal to the agent (Carter 2016). I am free in the negative sense to the extent that my actions are not prevented by some external obstruct. I am free in the positive sense to the extent that I am able, owing to factors that are internal to me, to act autonomously. Van Parijs (1995, p. 18) holds that the only sensible use of this distinction is to point out that freedom can be thought

of as having an “obstacle” side and an “exercise” side, but that “[..] freedom as individual sovereignty is both a freedom *from* and a freedom *to*.” A far more relevant and significant distinction, we are told, is the difference between granting individuals the freedom to do whatever they want to do on the one side, and granting individuals the freedom to do whatever they *might* want to do on the other. The relevance of this difference can be described as stemming from the logical fact that if freedom is defined as not being prevented from doing what I want, I do not necessarily need to overcome the obstacles preventing me from doing what I want in order to be free, “[..] I need only contract or extinguish my wishes, and I am free.” (Berlin 1969, p. 139). In other words, if I am prevented from doing what I would prefer to do, I need only change my preferences so that they coincide with what I am *not* prevented from doing, and I am free. If being free is defined as not being prevented from doing what one *might* want to do, on the other hand, a capacity to adapt preferences cannot make anyone more or less free.

According to this latter definition, the only thing that lets us decisively say that situation A is characterized by more freedom than situation B, is that situation A is less preventive on my scope of action than situation B. In this sense the latter definition of freedom is broader than the former. But even though it is a significantly broader definition of freedom, it still holds open the possibility of discriminating between a society that prevents its members from doing what they all want to do and a society that prevents its members from doing something no one in their right mind would want to do (Van Parijs 1995, p. 19, n. 39 p. 238-239). The two central points here is that, on the one side, giving people the opportunity to do whatever they *might* want to do enhances their freedom relative to giving them the opportunity of doing what they actually want to do (e.g. at a specific point in time). On the other side, giving society’s individuals the opportunity of doing something that none of them might want to do, does not realistically enhance their scope of action and therefore not their freedom (because none of these individuals would actually utilize these opportunities).

On the grounds of rejecting the substance of the distinction between positive and negative freedom, Van Parijs (1995, §1.7) goes on to criticize a view of freedom traditionally held by (some) liberals and libertarians. This view says that one’s freedom is only restricted to the extent one’s formal rights are being violated. Van Parijs (1995, p. 15) takes this to be a moralized and altogether implausible conception of freedom. A person’s freedom can, on this view, only be restricted through some form of coercion, i.e. through the active constraint of

some external force on her legitimate scope of action.³ So a traditional libertarian that ascribes to this conception of negative freedom would have to say that a person is free to do whatever is within the boundaries of her formal rights, even though she does not have the abilities or the means to do (at least some of) the things she has the formal right to do. This implies that even though someone does not have the means to pay for a round-the-world cruise, she is still considered free to do so. This is, according to Van Parijs, nonsense. For “It is, surely, the social institution of private property (or, as the case may be, of public property) that prevents those who “lack the means” of taking a round-the-world cruise from getting on the boat.” (Van Parijs 1995, p. 22). With this and similar formulations of what being free should be properly understood as, Van Parijs makes a connection between freedom and the absence of restrictions from both internal and external obstacles.⁴ This absence of restrictions, broadly construed, can be termed positively as “opportunity”.

The difference between Van Parijs’ favoured conception of freedom, which he calls real freedom, and mere formal freedom, is thus that the former incorporates this component of effective opportunity. Drawing on the three conditions that are to be satisfied within the real-libertarian conception of a just society, formal freedom amounts only to a structure of rights that secures individual self-ownership. Real freedom, on the other hand, satisfies the conditions of formal freedom, while at the same time ensuring that everyone has the greatest possible opportunity to do whatever they *might* want to do. This last component of opportunity is obviously a matter of degree, and is what leads Van Parijs to define a just society as a society of *maximally* free persons, meaning that every individual should be as free as she possibly can be. The conjuncture of this definition of a free society and the particular concern Van Parijs has for the worst-off entails that in a just society, opportunity should be distributed in a way that makes sure the person with the least opportunities has opportunities

³ Van Parijs (1995, p. 15) use the term “rights-fetishists” to refer to libertarians and liberalists who ascribe to a narrow definition of freedom as formal rights. He regards this narrow definition as an implausible and moralized conception of freedom, as it holds that the proper enforcement of formal rights entails total freedom for all and not just one particular allocation of freedoms and unfreedoms. It implies, for example, that the property-less and the property owner enjoy equal amounts of freedom, even though the property owner is the only one who is legitimately free to use her property at her own discretion.

⁴ Van Parijs (1995) use the terms internal and external endowments when talking about people’s human capital (or «talents», which is the word he chooses to use the most when talking about internal endowments) and the external resources/assets (in the sense of usable external objects) that they have access to, respectively. Internal endowments are defined in the broadest sense as people’s «[...] talents, abilities and capacities in all areas of life» (Van Parijs 1995, p. 60), while external endowments are defined so as to «[...] include whatever usable external object in the broadest sense individuals receive access to» (Van Parijs 1995, p. 101). The combination of a person’s internal and external endowment, make up that particular individual’s “comprehensive endowments” (Van Parijs 1995, p. 61-65, 74-75).

that are no smaller than those enjoyed by the person with least opportunities under any other feasible arrangement. This is the principled, and most general, rule of distribution favoured by Van Parijs (1995 p. 25), which he calls “leximin opportunity”.

To make a necessary and important clarification: when Van Parijs uses the term “maximal freedom”, he is, in one sense, and as the use of the word “maximal” indicates, talking about aggregation of freedom. A free society should thus try to bring about as much freedom as possible. But for society to be just, this freedom must be distributed in accordance with the leximin rule so that those with the least freedom are always given first priority. The effective conditions of this distributional rule will be elaborated on in the next section.

Another dimension of freedom that Van Parijs regards as incorporated under his definition of real freedom is represented by the conception commonly termed republican freedom (Van Parijs and Vanderborght 2016, p. 115). This particular conception of freedom has become a central part of the justice-based discussion on basic income.⁵ It is often described as the effective power to say no or as the actual absence of domination by some individuals over other individuals (cf. Widerquist 2013). Republican freedom can thus be viewed as the power to refuse unwanted cooperation, within the private sphere (cf. Pateman 2007) as well as within the public sphere, and the absence of involuntary domination in all social settings (cf. Pettit 2007).

2.2 Leximin Opportunity

The distributional criterion called leximin opportunity, whose satisfaction should amount to a just distribution of opportunities, essentially prescribe that the opportunities of those with fewest opportunities are to be maximized. It is chosen as a criterion of distribution because it embodies the idea that a maximally free society is a society in which all members are as free as is possible, while at the same time giving priority to those at the bottom of the opportunity-scale.

“Leximin” is a combination of John Rawls’ use of the terms “maximin” and “lexical” (meaning “lexicographic”), which he used to name rules that established what could be

⁵ Cf. e.g. Basic Income Studies 2007, Issue 2: *Debate: Basic Income and the Republican Legacy*.

viewed as just inequalities and the priority of liberty, respectively.⁶ The use of the word “lexical” indicates a system of ordering of criteria so that any difference, however small, on the first-ranking criterion offsets any amount of difference on the second-ranking criterion, and so on (Barry, 1973, p. 275). The opportunity component of real freedom satisfies the maximin rule, which “[.] tells us to rank alternatives by their worst possible outcome: we are to adopt the alternative the worst outcome of which is superior to the worst outcome of the others.” (Rawls 1999, p. 133). And as the use of the word “lexical” implies, if there is no way to determine if the worst outcome of one alternative is superior to the worst outcome of other alternatives, we are to apply the same decision process to the second worst outcomes of the different alternatives, and so on. Thus, according to leximin opportunity we should always opt for the alternative where the person with least opportunity has opportunities that are no smaller than the opportunities enjoyed by the person with least opportunity under any other alternative (Van Parijs 1995, p. 25). If we are faced with several alternatives that are equally good for the person with the least opportunities, we are to concentrate on the person next on the scale of opportunities and opt among these alternatives for the one that maximizes this person’s opportunities, and so forth.

In order to overcome the objection that this use of the maximin rule may lead to unreasonably excessive costs by giving absolute priority to the worst off person, Van Parijs (1995, p. 242) is ready to accept that negligible improvements in opportunities for the worst off does not justify a relatively massive worsening of the opportunities of the persons higher up the scale of opportunities.⁷ In his continued discussion of what constitutes a just

⁶ Within his theory of justice, Rawls (1999; 2003) uses a lexicographic, or lexical (which is the word he used), system of ordering his principles of justice so that the first-ranking principle has to be satisfied before we can concentrate on satisfying the second-ranking principle. Put differently, the second-ranking principle should be satisfied subject to the first-ranking principle being satisfied. Rawls’ second-ranking principle is divided into two parts termed “fair opportunity” and “the difference principle”, where the former has lexical priority over the latter (Rawls 1999, p. 266-267; 2003, p. 104). The maximin rule is applied to the difference principle so that any social or economic inequalities should be to the greatest possible advantage of the worst off members of society.

⁷ This type of “softening” of the strict implications of distributive rules is common within theories of distributive justice that ask us to prioritize those at the bottom of the relevant distribution. It is done in order to avoid unreasonably large cost in resources and/or welfare ascribed by the strict implementation of the relevant distributive rule. A cost that is seen as unreasonable is often termed “waste”. However, if the theory does not offer any metric or suggestion as to what constitutes a legitimate waste, as Van Parijs’ real-libertarianism does not, it is bound to always push this problem ahead of itself and never actually deal with it, or to arbitrarily leave the problem up to e.g. “rational and fair consideration” in each single case where this problematic consideration arises. Thus, the softening of strict lexical priority basically means that what is left is the general rule of giving some (unspecified) priority to the worst off (or, as the case may be, those with the least opportunity).

distribution, however, he sticks to the strict formulation of leximin opportunity where maximizing the opportunities of the least free person is the imperative.

2.3 The Priority of the Components of Real Freedom

So, real-libertarianism opens up the possibility that negligible gains in opportunities for the least free may be legitimately disregarded for the purpose of preventing a relatively massive worsening of the opportunities of persons that are initially better off in this respect. However, this possibility should only be considered on practical efficiency grounds in order to prevent huge losses in aggregate opportunity (Van Parijs, 1995, n. 52 p. 242). In most cases, the balance that a just society is to obtain between equality and efficiency is embodied in the strict appliance of the leximin criterion.

Van Parijs (1995, p. 29) asserts that among all the egalitarian criteria compatible with efficiency, leximin is the one that is the most attentive to the matter of improving the conditions of the victims of inequalities that might be allowed to subsist in any given case. Real-libertarianism is thus said to demand far more on behalf of the least advantaged than left-libertarianism, which simply holds that an equal distribution of the value of natural resources should constrain voluntary transactions. Notably, Van Parijs makes a deviation from the basic moral principles of traditional libertarianism in the direction of equality when he states that no one has a legitimate individual claim to natural resources without fully compensating the rest of society for the fact that this resource is no longer available for others to use (Van Parijs 1995, p. 99).⁸ It is, however, a position that is significantly different from distributional schemes that ascribe to different forms of straightforward egalitarianism. On the basis of the assumption that some inequalities will persist within any feasible arrangement, it is first and foremost specifically engaged in securing the best possible conditions for real

⁸ Van Parijs (1992b; 1995) follow Nozick's (1974) conclusion on the question of what constitutes legitimate original appropriation of external resources. As Van Parijs (1992b, p. 10; 1995, p. 13) briefly mentions, Nozick (1974) argue that (initially unowned) natural resources that are external to the individual can be legitimately appropriated by individuals as parts of their private assets as long as this appropriation does not make anyone else worse off than they were before (in the state of nature). However, Van Parijs (1995) makes further deviations from basic libertarian principles in the direction of equality by claiming that legitimate and just appropriation requires that the appropriator must pay the cost that her appropriation imposes on everyone else who can no longer use the specific asset(s) in question. This, we are told, entail that every individual is universally and unconditionally entitled to a fair share of whatever has been *produced* with natural resources s(he) could otherwise have used (Van Parijs 1992b, p. 11).

freedom for those who are worst off in this respect. This implies that a real-libertarian would not prescribe more equality if this would lead to a reduction in the set of opportunities available to the person(s) with least opportunities, or if it leads to a reduction of the opportunities available to persons higher up the scale without a corresponding increase in opportunities for those with relatively fewer opportunities. This makes the approach immune to the “levelling-down objection” based in the person-affecting postulate that a situation cannot be better/worse if it is not better/worse for anyone, often levelled at positions that argue for equality in outcomes. It is immune to this objection because it is not concerned with how well off people are relative to one another in absolute terms, but rather focus on identifying and opting for the best possible arrangement among feasible alternatives. These alternatives are ranked with regard to how much opportunity they supply to those with the least of it (leximin). But leximin opportunity within Van Parijs’ conception of real freedom also differs significantly from egalitarianism in that this condition should only be followed in so far as the conditions of formal freedom are satisfied.

The three conditions of real freedom are security, self-ownership and leximin opportunity. The two first conditions make up formal freedom, while the combination of all three amounts to real freedom. If all three conditions are properly satisfied, we have obtained leximin real freedom, or “real-freedom-for-all” (Van Parijs 1995, p. 25).⁹ The security component has priority over the component of self-ownership, and self-ownership has priority over leximin opportunity. This generally entails that formal rights should be properly enforced before we go about obtaining the highest possible amount of opportunities for all. But this priority-ranking is of a “soft” kind. Van Parijs does not use much time discussing this “soft” priority among the conditions, but proposes a rough metric of priority he thinks one could reasonably expect that intelligent and sober adults would agree on (Van Parijs 1995, n. 53 p. 242). Small deviations from the security condition can be accepted if the only remedy to these deviations is a disproportionately large restriction on the condition of self-ownership. And similarly, relatively small deviations from formal freedom can be permitted if they are necessary for large corresponding improvements in leximin opportunity. This soft priority-ranking opens up the possibility that paternalistic inferences, such as compulsory primary education, can be legitimately enforced by the state together with moral and legal

⁹ Whenever I use the term “leximin real freedom” in this thesis, the term should be properly understood as denoting a situation where the criterion of leximin opportunity is satisfied, subject to the conditions of formal freedom being satisfied.

responsibility toward other people or the collective society as a whole, e.g. by mandatory participation in efforts to reduce harm in the wake of a natural catastrophe.

Justice as a societal virtue is also given a “soft lexicographic priority” over other properties that might be given high regard within a good society (Van Parijs 1995, p. 27). Small departures from the justice of leximin real freedom can therefore be accepted for the sake of major gains in other virtuous societal properties. But trying to obtain leximin real freedom is given special priority with the intent of securing equal respect for every individual member of society through the understanding that what is just cannot be determined by a particular conception of what constitutes the good life (the neutrality postulate). Real-libertarianism is thus said to ascribe to a liberal “solidaristic conception of justice” in that everyone’s interest should be of equal concern when trying to work out a fair balance between liberty, equality and efficiency (Van Parijs 1995, p. 28).

3 A Universal and Unconditional Basic Income

*“A basic income is a periodic cash payment unconditionally delivered to all on an individual basis, without means test or work requirement”.*¹⁰

To satisfy the condition of leximin opportunity – that every individual should be as free as possible – Van Parijs propose that the political community should pay out a monthly basic income in cash to every member of society. The amount of the basic income is required by justice to be “[...] determined by the per capita value of society’s external resources and must be entirely financed by those who appropriate these assets.” (Van Parijs 1991, p. 112; 1995, p. 99). The term political community can refer to many different levels of government, e.g. a local municipality, a federated state, a nation-state, a centrally governed union of nation-states such as the European Union, or a global political entity or collaboration based on democratic principles and social solidarity (Van Parijs 2004, p. 9). Since he argues for the highest sustainable basic income on the grounds that this scheme is required by justice (cf. Van Parijs 1991, p. 102, 112; 1992b; 1992c; 1995; 2004; 2017; Van Parijs and Vanderborcht 2016; 2017), and given his moral position that justices is not bound by national borders, Van Parijs (1995, §6.8, esp. p. 227-228) would ideally opt for the latter of these alternatives. But he is also ready to argue for intermediate solutions, as the implementation of a guaranteed minimum income at any level, and administered at any level of government, would be a step in the direction of social justice.¹¹ Indeed, in *Real Freedom for All* (1995), as well as in earlier and later writings, most of the arguments are presented in the context of societies defined as nation-states. Before we move on to investigate the ethical attractions of a basic income that makes the scheme the exclusive first-best solution required by the real-libertarian conception of justice, however, it is necessary to properly spell out what a basic income is and what it is not. Subsequently, it will be illuminating to take a look at a non-normative Marxian argument

¹⁰ This is, word for word, the definition adopted by the Basic Income Earth Network (earlier known as the Basic Income European Network) founded in 1986, by, among others, Phillippe Van Parijs.

¹¹ Van Parijs (1991, p. 102) argues “[...] that a defensible *liberal* theory of justice, that is, one that is truly committed to an equal concern for all and to non-discrimination among conceptions of the good life, does justify, under appropriate factual conditions, a substantial *unconditional basic income*.” However, he does not believe that these “appropriate factual conditions”, which seems to refer to the social and economic conditions in relatively wealthy capitalist democracies, hold on a world scale, and he therefore concede “[...] that it makes sense to discuss issues of justice at the level of a particular country or set of countries [...]” (Van Parijs 1991, p. 102). Van Parijs (1992b, p. 466) also “[...] believe this proposal to constitute a genuine political possibility, at least in Western Europe.”, a position he explains and argues for in Van Parijs (1987; 1992a; 1995; 2004).

for a basic income put forth in Van der Veen and Van Parijs (1986a), which make up parts of the background for the arguments presented in *Real Freedom for all* (1995), although it is distinct from the normative arguments flowing from the real-libertarian position (Van Parijs 1992b).¹²

3.1 What a Basic Income is and what it is not

The general definition of a basic income is a cash income paid to every individual member of society, without being attached to a means test or any form of work requirement. This means that every individual member of society is paid a certain amount in cash from the political community (i.e. the state) on a regular basis, irrespective of current or previously performed work, regardless of the recipients' ability to perform work, and independent of household situation as well as means and/or income from other sources. Note that this general definition of a basic income does not require that it should be large enough to cover basic material needs. Although a lot of basic income proposals imply that the goal of the scheme should be to satisfy basic needs, this is not required by the concept itself as it is usually defined and understood. Indeed, it is not required by the definition adopted and justified by Van Parijs' (1995, p. 35) real-libertarianism. On the other hand, it is neither required by the general definition of a basic income that it should replace (all) other distributive or redistributive transfers, nor that it should replace social goods that are often supplied in kind, such as health-care.

That the universal basic income is paid to all of society's members, in some proposals means that only those who hold a full citizenship are entitled to receive the payment. But most contemporary advocates for a basic income are in agreement that proposals should work towards anti-exclusionary policies that aim for equality, in the labour market as well as in all other formal social settings. This is the main reason many proposals include all legal permanent residents that are subject to the rights and duties that citizenship entails (Van Parijs, 2004, p. 10).

¹² As is to be discussed in section 3.2, Van der Veen and Van Parijs (1986a) argue for the abolition of "alienating labour" through an institutional set-up that discourages waged labour in the market, where basic income is the most central part, while Van Parijs (1995) argue for a basic income on the grounds that it provides individuals with effective opportunity to make different choices, i.e. real freedom.

The basic income is quite obviously a type of minimum income scheme that is guaranteed to all citizens by being both universal and unconditional. But that the basic income is to be paid out as a cash income, clearly sets it apart from social benefit programs where parts or the whole of the benefit is provided in kind as e.g. shelter, food and clothes. It is also clearly distinct from schemes that provide a minimum income through the provision of specialized currencies, such as food stamps, housing grants or ear marked vouchers. The main reasons for these more restricted kinds of provision tend to be (strongly) paternalistic ones: government funded benefits are to be used on necessities and should not be wasted on other forms of consumption. Van Parijs (1995, p. 42-45) argue that there are at least three categories of goods that can be provided in kind consistently with real-libertarianism. The first category is dedicated to secure the requirements of formal freedom, the second consist of items that will enhance everyone's opportunities if they are provided for free or at a substituted rate, while the third category consist of items that it can plausibly be assumed that everyone in their right mind would want to buy and that would be much more cost-efficient to provide in kind. In section 4.1 we will return to a more specific description of these categories and the question of why the form of (mild) paternalism they represent can be justified, if not required by concerns with positive and negative externalities, by real-libertarianism. For now, it will suffice to say that the basic income is provided in cash without any restrictions as to how and when it can be spent. The schemes unconditionality is in this respect represented by the recipients being entirely free to decide for themselves how they use their basic income (Van Parijs and Vanderborcht 2016, p. 109), giving everyone the effective opportunity to choose between the different options available within their budget-set.

Another very important characteristic of a basic income's unconditionality is that it is distributed on an individual basis. A lot of minimum social security schemes have been specifically concentrated toward the goal of lifting families out of poverty. As opposed to these more conventional means-tested welfare programs that take into consideration such things as civil status and where and how recipients live when working out the amount of benefit that is to be paid out, a basic income is paid in full to each individual member of society, independent of the composition of the household they live in (Van Parijs, 2004, p. 11). This will, combined with the fact that a basic income is paid in cash and not in-kind, reflect everyone's equal status and promote individual autonomy. An easy way to illustrate this is to point out how strictly individual entitlements can be expected to affect the distribution of power within a household, compared to benefits that are adjusted with regard

to the composition of the household and paid out to the “head of the household”. For the partner with the lowest earnings, typically the woman in a domestic relationship, an individual entitlement to a basic income will tend to enhance (private) economic opportunities both by increasing the ability to participate in decisions on how household expenditures are allocated and by facilitating a viable and realistic exit option. In this way, the basic income is said to make every individual able to enjoy and safeguard their freedom, within the private sphere as well as within the public democratic sphere (Pateman 2003, p. 138; 2004, p. 91).

The individual character of the basic income secure opportunities by making people able to choose to live alone or with other people. Through the same mechanism it also removes what is often called isolation traps created by minimum income schemes in which the level of entitlement depends on the composition of the household. These programs typically benefit adults that are living alone relative to those who choose to live in groups (Van Parijs 2004, p. 11-12; Van Parijs and Vanderborght 2016, p. 110). When everyone receives the same basic income regardless of their living arrangements, it gives incentives for people to live together because of economies of scale, and in this way, fosters communal life.

As Van Parijs (2004, p. 12) see it, the most radical component of a basic income scheme relative to more conventional welfare schemes, is that it is paid at the same level to both the relatively rich and the relatively poor, irrespective of any other source of income or any other kinds of means. That the level of basic income all individuals receive is decided upon ex ante, generates a lot of the positive aspects put forth by its advocates. While the stigma and complexity associated with existing means-tested welfare programs can be seen as decreasing the rate of take-up in these programs, the absence of a means test in basic income schemes will take away the stigma and a lot of what recipients may perceive as an incomprehensible bureaucracy connected to means-testing by the simple fact that it is equally distributed between everyone. In addition, no-one will fail to be informed about their entitlement.

The most important aspect of the scheme, however, is that the absence of a means test also imply that the basic income is still received at the same level when the unemployed get employed. This eliminates the two main aspects of what is called the unemployment trap faced by means-tested programs. The unemployment trap basically consists in a situation where an increase in gross income yields on, or even negative, increase in net income, and the

risk in taking up a new job that is associated with this situation for recipients of minimum income benefits or unemployment benefits (Pedersen, Finseraas og Schøne, 2015, p. 85). Under conventional welfare programs, the amount of new personal income received by the unemployed taking up new jobs is often offset by the loss of the same amount in benefits (Van Parijs, 2004, p. 13-14). This does not yield good pecuniary incentives for the poor and unemployed, who often have to settle for jobs with low wages that do not necessarily exceed the level of benefit they receive. To the contrary, these programs may amount to disincentives to work. Payed work in modernised economies include expenditures for the wage worker in the form of proportional income taxes which entail that the net hourly wage is reduced relative to the gross hourly wage. Taking up payed employment can thus be comprised by a positive income effect and a negative marginal tax effect (Pedersen, Finseraas og Schøne, 2015, p. 84).

Within the neoclassical model of labour supply, the negative marginal tax effect is assumed to be stronger than the positive income effect. Certain individuals, typically those at the very bottom of the income distribution, will thus experience that entering a payed employment relationship will not lead to a significant increase in their net income. At the same time, they have to give up leisure time in favour of performing waged labour. With regard to personal preferences for leisure and consumption, respectively, the social benefit recipient may in these kinds of cases be worse off when employed than when unemployed. This situation turns into a more specifically termed poverty trap if one's net income does not increase as a result of being employed, while at the same time the job brings along with it additional expenses for such things as e.g. childcare and transportation. The individual may then be economically worse off when employed than when unemployed, and may find herself in a situation where she cannot afford to work. From the fact that a basic income is paid to each irrespective of other income sources, it follows that each additional source of income will make the individual better off. This makes work pay, and opens up real incentives and prospects for the poor who are constantly living on the edge, and therefore have good reasons to be risk averse (Van Parijs 1995, p. 36; Van Parijs and Vanderborcht 2016, p. 113).

But a lot of the low paying jobs without high qualification requirements that are available in today's post-industrial societies are typically found within parts of the labour service sector that in a lot of cases seems to be particularly exposed to increasing levels of worker marginalization in the form of relatively bad working conditions and lower degrees of

worker rights and employment benefits (see, e.g., Nicolaisen og Trygstad, 2015; Palier og Thelen, 2010). To avoid that the means-unconditionality leads to the expansion, and maybe an increasing acceptance, of these kinds of lousy jobs, a basic income is also paid to each without any work requirement. This means that the individual can choose to not take a job if she perceives it as unworthy, and in this way, a basic income endows the weakest in the labour market with a bargaining power that they would not possess in the case of a work-conditional scheme, like workfare.¹³ The economic incentives created by means-unconditionality also makes work-conditionality unnecessary, as the external pull factor of a work test is replaced by the internal push of new intrinsic incentives to work in the individual created by the external pecuniary reward of increasing income (Gilroy, Heimann and Schopf 2013, p. 60; Pech 2010; Van Parijs, 2004, p. 12).

The abolition of both a means and a work test is also likely to eliminate the need for a bureaucracy occupied with running these tests, which will represent a substantial cutback in expenditures relative to conventional programs.¹⁴ And surely, far less administrative work is required to achieve a fair and just distribution of cash than if the basic income is given in kind as a standardized basket of food, a plot of land, or other specific resources. Further, the unconditionalities of a basic income does a better job of complying with the individual's right to a private sphere and freedom of choice, as the living arrangements and activities of recipients are no longer observed and controlled by bureaucrats and social workers.

¹³ Handler and Babcock (2006) present a consistent argument for the liberating and dignifying effects of the implementation of a basic income by contrasting it with what is seen as the failure of workfare programs in modern democracies. This failure they attribute to activation of the unemployed through individualized work plans with means-testing and work requirements and the privatization of social services. The basic income can in this respect be seen as part of an active welfare state that activates people by freeing them rather than by forcing them to work.

¹⁴ FitzRoy and Jin (2011) present a model of the labour market where redistribution is done through flat taxation of incomes. Within this model they look at how well a basic income would fare in comparison to traditional unemployment benefits with regard to labour market efficiency. Their findings indicate «[...] superior welfare and efficiency properties of BI [basic income]» (Fitzroy and Jin 2011, p. 20), even though administrative cost-savings and non-pecuniary advantages of the basic income are not factored into the model. They therefore conclude that these results would hold for progressive tax schemes as well, which, in addition to administrative cost-savings, may have further advantages for redistribution.

3.2 A Capitalist Road to Communism

In their article “A capitalist road to communism”, Van der Veen and Van Parijs (1986a) argue that a direct transition from capitalism to communism can be made politically feasible without the intermediate step of socialism that Karl Marx viewed as necessary for the expansion of the “realm of freedom” that communism represented within his theory of historical materialism. Through the arguments presented in the article, they try to make a case for the potential political credibility of a basic income by showing how the scheme can be made economically feasible in developed western democracies and that it can be combined with compelling constraints on economic growth.

Van der Veen and Van Parijs (1986a, p. 636-637) treat socialism as defined by the principle “to each according to his labour”, which implies the abolition of capitalistic exploitation in the sense that workers appropriate the whole of the social product, and communism as defined by the principle “from each according to his abilities, to each according to his needs”, which implies the abolition of alienating labour since work no longer needs to be prompted by external rewards. They point out that the applied Marxian definition of socialism entail collective ownership of the means of production by workers, but that this is not entailed by the Marxian definition of communism, which only require that society appropriates all income from productive work and distribute this income according to need. Thus, the argument goes, when communism is generally defined in the aforementioned way, it does not require socialism since communism does not require that the means of production are collectively owned, only that the social product is distributed according to need.

However, a lot of arguments for the necessity of socialism are based in the propositions that the implementation and sustainability of communism is dependent on the development of higher levels of both altruism and productivity, and that this development would only be possible under socialism and, consequentially, not under capitalism. The argument that socialism is a necessary condition for the development of communism because socialism is required for the social expansion of altruism, is rejected on the grounds that altruism is not necessary for communism (Van der Veen and Van Parijs 1986a, p. 638). Even if one accepts that effective participation in collective decisions about production, as opposed to free market mechanisms, is necessary for the development of altruistic individuals, it can be argued that the only thing that is necessary for the development of communism as (ideally)

defined is a gradual shift from a distribution according to labour toward a distribution according to need. What is necessary is therefore not altruism, but an alteration of the nature of work so that it no longer needs to be prompted by material rewards. If everyone's material needs are covered through the receipt of a basic income, the performance of (paid) work would be more voluntary in the sense that it is no longer an economic necessity for the individual, and could rather be prompted by other (non-material) social rewards or different forms of intrinsic motivation. The argument is thus that it is not human nature, but rather the nature of work that needs to be transformed in order to achieve a communist distribution according to need.

The other argument *for* the necessity of socialism is roughly based on the assumption that the competitive quest for maximization of profits within free market capitalism does not coincide with the maximization of labour productivity that is required to obtain the material abundance that is needed to achieve communism. Van der Veen and Van Parijs (1986a, p. 640) argue that under realistic conditions, socialist planning will closely approximate capitalist profit maximization, and thus that this theoretical argument in favour of socialism is flawed, and further that the empirical evidence from the Soviet Union's planned economy is similarly discouraging. They proceed to argue that a basic income that covers fundamental needs (an income they think advanced capitalist countries can economically secure for their citizens) would, under conditions of capitalist production geared toward profit maximization, promote technical innovation and organizational change that improve the quality of work and reduce the drudgery required per unit of production. Because of the guaranteed income from the basic income grant, the wages attached to unattractive and unrewarding work would be pushed up since no-one is forced by their economic situation to accept these jobs at low wages, and the wages for attractive and intrinsically rewarding work would be pushed down since fundamental material needs are already covered. This makes up a necessary condition for communism: since less disutility is required to produce a given social product, more of the social product can legitimately be distributed according to need rather than according to labour contribution (Van der Veen and Van Parijs 1986a, p. 646).

Van der Veen and Van Parijs (1986a) use what is called "The Laffer Curve" to illustrate this shift from basic income capitalism toward communism. The Laffer Curve is a simple representation of the relationship between the tax level and the corresponding expected tax revenue, and can generally be used to show at what level of taxation the total tax revenue

appropriated by the state can be expected to be the highest. Figure 1, borrowed from Fullerton (2008), depict one estimation of the form of the Laffer Curve. As shown on the graph, the vertical axis represents the level of the tax revenue that can be expected at certain levels of taxation, represented by the horizontal axis. The point t^* represents the level of taxation that yields the highest possible tax revenue, which both Fullerton (2008) and Trabandt and Uhlig (2011) estimate to be around 70%.¹⁵ What the Laffer Curve shows is thus that (for relatively low tax rates) tax revenue will initially increase with the tax rate up to a point where taxpayers reduce their labour supply and investments, engage in tax-evasions, or switch the compensation for work into non-taxable forms (e.g. by switching from consumption outside the firm, i.e. wages, to consumption inside of the firm, i.e. by spending money on making work more intrinsically rewarding, meaningful and pleasurable, and/or by switching from paying wages to paying through social rewards such as praise, promotions or social status). Consequentially, as the tax rate exceeds the point t^* , the total tax revenue, and thus the corresponding amount of resources available for redistribution, will decrease.

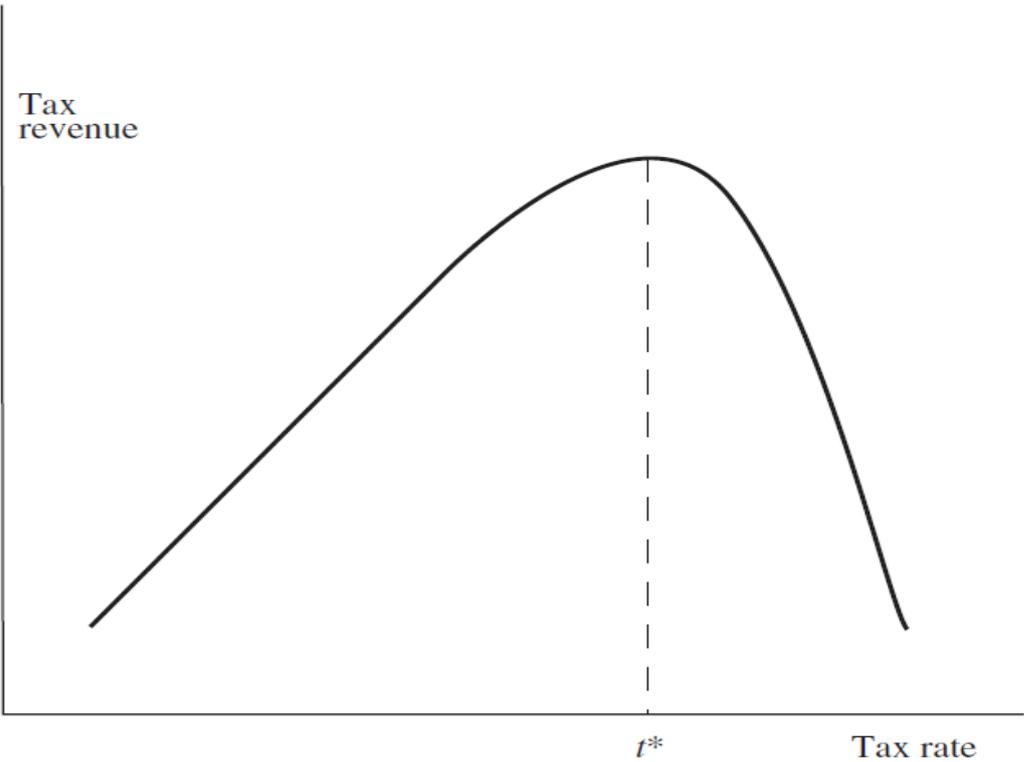
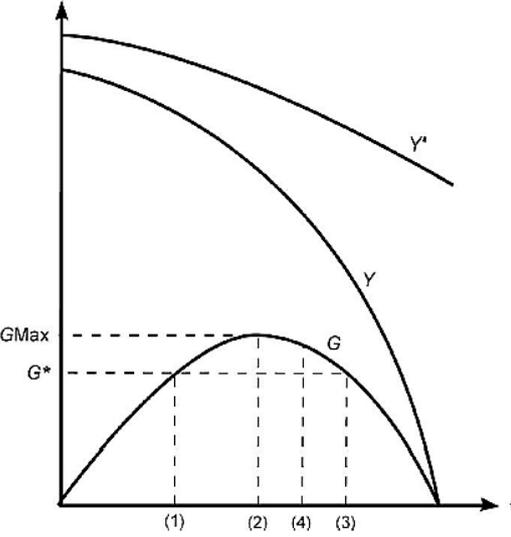


Figure 1: The Laffer Curve

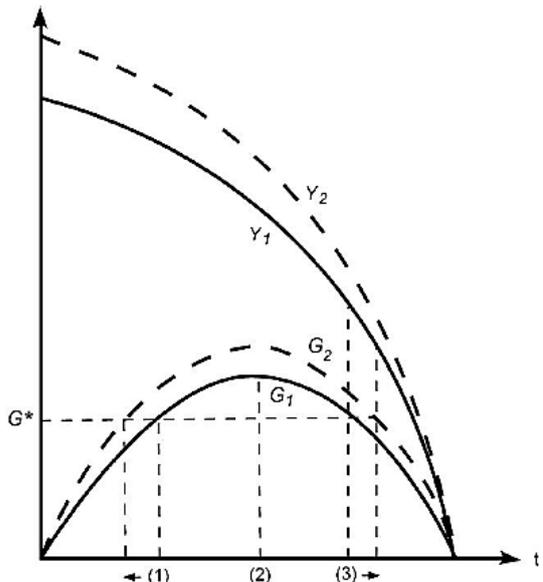
¹⁵ We should keep in mind that the Laffer Curve is a very simplified model of the relationship between the level of taxation and the total tax revenue. It only takes account of a few of the factors that can be expected to influence this relationship. Consequentially, the estimates from both Fullerton (2008) and Trabandt and Uhlig (2011) are tentative at best.

Van der Veen and Van Parijs (1986a, p. 649) refer to these effects as the redistributive effect and the incentive effect, respectively. Raising the tax rate will initially boost the tax yield and thus the amount that can be distributed in the form of a basic income (the redistributive effect), but it will also reduce the supply of labour and consequentially the size of the tax yield and the basic income (the incentive effect). As follows from the foregoing explanation of the curve, when the tax rate is relatively low, the redistributive effect will dominate the incentive effect, and the level of the basic income will rise with the tax rate. But when the tax rate is relatively high (on the right side of t^*), the incentive effect dominates the redistributive effect, and the level of the tax revenue will fall with the rise of the tax rate. This relationship between the tax rate, the level of the total taxable social product, and the level of the basic income is depicted in Figure 2 and Figure 3.



- t uniform tax rate
- Y taxable social product
- Y' total social product
- G aggregate universal grant
- G* level of G covering everyone's basic needs
- GMax maximum sustainable level of G
- (1) growth-oriented criterion
- (2) Rawlsian criterion
- (3) Marxian criterion
- (4) equality-oriented criterion

Figure 2: Basic income capitalism



- t uniform tax rate
- Y1, Y2 taxable social product at times 1, 2
- G1, G2 aggregate universal grant at times 1, 2
- G* level of G covering everyone's basic needs
- (1) growth-oriented criterion
- (2) Rawlsian criterion
- (3) Marxian criterion

Figure 3: The move toward communism

The end stage of Van der Veen and Van Parijs' (1986a) proposal, remember, is that the totality of the social product is distributed according to need. Since this distribution is to be administered by a centralised political community and financed through taxation, the relevant social product that is to be distributed in the form of a basic income will, when the goal of full communism is reached, coincide with the total *taxable* product.¹⁶ The Laffer Curves they present (termed the “G-curve” in Figure 2 and 3) thus represents the total tax yield, which makes up the pool of resources that are to be distributed in the form of a basic income, corresponding to different tax rates (t). The distributive criterion favoured by Van der Veen and Van Parijs (1986a) is the criterion marked as (3) in the figures. They call this criterion the “Marxian criterion”, as this is the criterion that will lead to the gradual shift from basic income capitalism toward full communism if it is implemented. The graphs show that the criterion (3) lies well to the right of t^* (or G_{\max} which corresponds to the criterion marked (2) on the horizontal t -axis in figure 2 and 3). This is because pursuing communism implies setting the rate of taxation as high as possible without jeopardizing the satisfaction of every individual's fundamental needs (the arbitrarily chosen level of which is represented by G^* in figure 2 and 3) (Van der Veen and Van Parijs 1986, p. 649). By doing so, one discourages (paid) work within the formal market, and in particular unpleasant work, as much as possible, as illustrated by the Laffer Curve. This promotes the expansion of the “realm of freedom” in the sense that it decreases the amount of time people spend on paid work, and by improving the quality of work. Figure 3 shows that as productivity grows (given in part by the presumption that the implementation of a basic income will promote technical innovation and organizational change), less effort is required to obtain a given social product and the corresponding basic income. The tax rate can therefore be further increased without violating the condition of satisfying fundamental needs. As this process continues, the share of total taxable income (represented by Y_1 and Y_2) that is not distributed through a basic income gradually shrinks, while the average time used to work decreases and the quality of work increases. “At the limit, both processes converge in the abolition of work: free time fills the

¹⁶ Van der Veen and Van Parijs (1986a) mention in passing that within their model the level of the basic income coincide with the total tax yield in order to keep things simple (p. 646). In reality, and as Van Parijs (1995) has later argued for, any society committed to individual freedom would find it sensible to publicly finance (with parts of the tax yield) some public goods that it is reasonable to expect that everyone wants to use and that are cheaper to finance in this way than by letting everyone pay for their individual use of these goods. Examples could include roads and parks, public administration and maintenance of the commons, public health care, public schools and other educational programs, to name a few. Evidently, a lot of these public goods will coincide with what properly functioning welfare states supply their citizens in kind.

day and work is so attractive that it is no longer work.” (Van der Veen and Van Parijs 1986, p. 689).

It is thus made clear that Van der Veen and Van Parijs (1986a) does not purpose the implementation of a basic income under capitalist relations of production on the grounds of equality (the equality-oriented criterion 4 in Figure 2 and 3), or on the grounds that it would make the worst off as well off as possible (the Rawlsian criterion 2 in Figure 2 and 3). What they purpose is rather that under material conditions where technical innovation reduce the need for human labour, and where there can be made a compelling case for the constraint of economic growth (e.g. by reference to relevant ecological limits to economic growth such as resource scarcity and environmental impact), the case for the expansion of freedom represented by communism becomes more economically and ethically appealing, and thus politically feasible. The best way of working towards this goal within capitalist societies, they claim, is by distributing ever greater portions of the social product through a basic income scheme. It is thus the combination of external ecological constraints and labour-saving technological advancement that taken together will bring about the material conditions that will make the shift toward communism through a basic income a politically feasible and rational choice (Van der Veen and Van Parijs 1986a, p. 652-653; 1986b, p. 744).

4 The Real-libertarian Case for a Basic Income

The Marxian argument for a basic income just presented aims to restrict alienating activities through a basic income that covers every individual's material needs in conjunction with a high, and increasing, tax rate. This is thought to be a social improvement relative to conventional capitalism from a viewpoint that sees freedom as consisting in activities that are done for their own sake, and not for the sake of gaining external rewards. According to this conception, "the realm of freedom" is expanded in so far as ever greater portions of the activities people engage in are carried out because they are seen as intrinsically valuable. These intrinsically rewarding activities are promoted and encouraged relative to externally rewarding activities by the high, and increasing, level of taxation on payed labour. The Laffer Curve indicates that the level of taxation that would make these incentives materialize is so high that the total tax yield will end up being less than it optimally could be (cf. the Marxian criterion marked (3) in figure 2 and 3). In accordance with this criterion, the basic income would not be maximized, but would only be subject to the condition that it should not fall below the level of subsistence. The realm of freedom is thought to be more fully realized with a basic income that is more modest than what the highest sustainable basic income would be, because of the incentive effects the high level of taxation is assumed to have.

This argument is flawed for at least one reason. First of all, it is not logically consistent to simply equate non-market activities with activities that are intrinsically valuable. Further, the fact that an activity is "unalienated" does not directly imply that this activity includes less disutility or less toil simply because the activity is done for its own sake. As pointed out by Carens (1986, p. 686), an expansion of the realm of freedom, which includes "[...] self-production, mutual help, volunteer work, etc." (Van der Veen and Van Parijs 1986a, p. 651), is not necessarily synonymous with less toil. Nor does this expansion imply that the activities done within the realm of freedom are unalienated activities done for their own sake, or that these activities are seen as more meaningful or pleasurable simply because they are not alienating activities done within the market. For instance, people may engage in forms of "self-production", e.g. by refurbishing their home or fixing their car without the help of professionals, not because they find this work to be intrinsically valuable and rewarding, but because it saves them money that they can use on other forms of consumption or investment.

A second point that can be made against Van der Veen and Van Parijs' (1986a) Marxian line of argument, is based on the fact that the shift toward communism they support would eventually make the basic income the only source of income available to people.¹⁷ A plausible conception of freedom, and certainly the one held by real-libertarians, is not limited to leisure time (cf. section 2.1). If a basic income set at the level of subsistence is the only form of income people have access to, while at the same time the institution of private property is held in place,¹⁸ it is hard to see how people are to become increasingly free, at least if we stick to the real-libertarian definition of freedom as the opportunity to do whatever one might want to do.

As Van Parijs (1992b, p. 20) points out himself, following the Marxian criterion could conversely result in less freedom, especially for the least advantaged, to engage in unalienated activities. This is because a higher level of basic income corresponding to lower levels of taxation than this criterion prescribe would enhance everyone's opportunities to do whatever they might want to do, including both unalienated activities as well as all other formally legal activities. Furthermore, the Marxian argument for a basic income is rejected by the real-libertarian position on the grounds that it rests on a perfectionistic conception of the good life. This is evident in that the Marxian criterion strictly and exclusively promotes unalienated activities. Any specific conception of what the good life consists in is according to Van Parijs (1995) in violation of the liberal neutrality principle. This principle is, as discussed, central to the real-libertarian position which holds that social justice is correctly understood as real freedom. Real freedom should enable people to pursue their own conception of the good life, without provisions as to how the good life is legitimately perceived. From this perspective, the Marxian criterion cannot enhance people's freedom. Conversely, it restricts everyone's freedom by promoting a particular type of life consisting in unalienated activities.

On the opposite side of the political spectrum, liberal "rights-fetishism", which according to Van Parijs (1995, p. 15, 22) is embodied by the likes of Friedrich Hayek and James Buchanan, hold that freedom should be narrowly defined as formal rights. They claim that a broader definition of freedom is bound to equate the concept with wealth or the budget-

¹⁷ As the tax rate rises, the incentive effect grows stronger. Given gradual technological advancements, the tax rate can be pushed up to the point where the negative incentive effect is so strong that no-one has a pecuniary incentive to perform declared waged labour anymore (subject to the condition that the basic income does not drop below the level of subsistence). The only form of declared cash income available to people will therefore eventually be the basic income.

¹⁸ As it is within Van der Veen and Van Parijs' (1986a) applied definition of communism (cf. section 3.2).

set. Van Parijs' real freedom is indeed such a broader definition, with an equal emphasis on the obstacle and the exercise side of freedom. It is a freedom from obstacles, or more specifically a freedom from the interference of other people, while at the same time it is a freedom to exercise one's individual autonomy. This latter dimension of real freedom is in part facilitated by material means to the extent that they enable people to choose among the various lives they wish to lead. This leads Van Parijs (1995, p. 33) to suggest that it is peoples purchasing power that needs to be leximinized: in order to make the least free in society as free as they possibly can be, the lowest incomes need to be as high as possible, subject to formal freedom being respected. The institutional answer to the requirements of real freedom is thus to implement a universal and unconditional basic income at the highest sustainable level. As briefly mentioned earlier, however, the sustainability of the basic income scheme over time is not the only condition that can legitimately reduce the level of the grant. Three (mild) forms of paternalistic in-kind provision is also accepted, if not invited as freedom-enhancing, by the real-libertarian concern with every individual's real freedom.

4.1 In-kind Provision Consistent with Real-libertarianism

Van Parijs (1995, p. 42) argue that the basic income cannot be given in-kind in the form of means of production. The first argument against such an in-kind provision is that it entails a restriction on how people are allowed to use their basic income, and therefore amounts to a lower level of real freedom. The second argument is based in the (very plausible) assumption that not everyone is equally efficient when it comes to the use of the relevant means of production, which would result in a relatively lower basic income than if those individuals who are motivated and able to produce efficiently is given the option of purchasing the means of production. Also, the higher the level of the basic income that is payed out in cash, the more it helps boost the real freedom to acquire productive resources for those who want to.

The means of production are to be distributed through the mechanisms of free-market competition. But there are, however, three different forms of non-market in-kind provision consistent with the real-libertarian position. The first category of in-kind provision is justified by real-libertarianism as being necessary in order to effectively secure everyone's formal

freedom, i.e. a basic set of universal rights that include self-ownership. It includes services such as police and courts, a military and civil defence against external threats, and properly functioning mechanisms for collective decision-making (Van Parijs 1995, p. 42). These services can be delivered in-kind as collectively financed services for all, irrespective of people's willingness to pay for them, and should therefore also be regarded as an in-kind portion of the basic income. However, as this "part" of the basic income is evidently used to secure formal freedom, and not used directly to leximin opportunity, it cannot be viewed as a full contribution to real freedom in this latter respect. These in-kind services only secure self-ownership protecting formal freedom, which is a precondition for, but not the same as the realization of, real freedom (cf. the distinction between formal and real freedom discussed in section 2.1).

A second category of legitimate in-kind provision is made up of goods and services that can be expected to represent very high indirect contributions to everyone's opportunities (Van Parijs 1995, p. 43). It includes education at different levels and infrastructure. These goods and services should be provided for free, or at a subsidized rate, not because it can be plausibly assumed that everyone wants to pay for them, but because of the positive externalities on everyone's opportunities that can be expected from easy and universal access to them.

The third category is given by what Van Parijs (1995, p. 19, 43, n. 39 p. 238-239) seems to think is a reasonable restriction on freedom understood as opportunity. It consist of "[..] items of which it is plausible to assume that no one in her right mind might not want to buy them out of her basic income were she given the whole of it in cash" (Van Parijs 1995, p. 43), and is thus a form of paternalism that says that it is legitimate to override peoples immediate preferences in favour of what they would genuinely desire if they were better informed. This justifies in-kind provision of such things as clean air, and open and free-access recreational areas. Not because everyone desires to use these goods to the same extent or in the same amount, but because of the fact that everyone would use them to some extent. And even those who do not care about the quality of the air they breathe and almost never use recreational areas, use them to some extent, and would probably have to pay more for this meagre use if they had to privately pay for it out of their cash income.

In-kind provision of health-care, or some form of mandatory health-insurance, could also be justified as legitimate real-libertarian paternalism, by both category one and two; it

would plausibly enhance everyone's opportunities to live good lives, through, e.g., enhancing productivity, and it would supply a security that everyone would want "when in their right mind" (Van Parijs 1995, p. 45).

It seems that these forms of paternalism that are compatible with real-libertarianism, are deemed to be so because they substantially decrease the probability of people taking bad choices with their real freedom – choices that may lead to unnecessarily bad outcomes as measured by each individual's own standard of what constitutes the good. In the same spirit, Van Parijs (1995, p. 45-48; 2005, p. 161) defends the fact that the basic income is to take the form of a periodical payment as opposed to an equivalently valuable lump sum initial endowment, which has commonly come to be called a (social) stake or a stakeholder grant within the literature.¹⁹ But, as Arneson (1992, p. 510) has rightly questioned, why this exact amount of paternalism and not more or less? After all, Van Parijs does believe that only the conscious individual agent can properly figure out what the good consist in, in accordance with her own beliefs. Van Parijs (1995, p. 47-48) answer to this question is derived from a human ontology that says people can be viewed as several different versions of themselves within a lifetime. It is therefore not reasonable from a moral point of view that hold people responsible for conscious choices, he argues, that what one chooses to do as an earlier version of oneself, e.g. squander the whole stake on gambling and bourbon, should negatively affect the rest of one's life in ways that are easily avoided by simply making the payment of the basic income periodical.

4.2 Making the Basic Income Scheme Sustainable Through Incentives

Since the real-libertarian conception of justice is concerned with the real freedom of *all* of society's members, the basic income needs to be distributed in a way that will secure the stability and sustainability of the grant from generation to generation. The criterion Van Parijs (1995, p. 39-40) applies in this matter, is one that requires that the next generation should not

¹⁹ For comprehensive elaborations of, and discussions on, the ideal of the social stake, see e.g. Bruce Ackerman and Anne Alstott's *The Stakeholder Society* (1999), and Volume 5 of The Real Utopias Project called *Redesigning Distribution: basic income and stakeholder grants as alternative cornerstones for a more egalitarian capitalism* (2005) edited by Ackerman, Alstott, and Van Parijs. For contributions that are primarily focused on the social stake, see esp. ch. 2, 3, 10, and 11.

be worse off than the present one. Even though it is largely assumed that the efforts of previous generations have made the present generation better off, it is not a requirement of real-libertarian justice that the present generation must actively try to make the next generation relatively better off.

Never the less, the applied criterion of sustainability requires that the basic income for the next generation should be equal to or higher than the present one. Since the use of scarce natural resources by definition leads to the eventual depletion of these resources, there has to be “[..] some technological progress and/or net accumulation of physical and human capital, in order to prevent the fall in productivity that would otherwise occur as a result of having to use natural resources that are harder to extract or less convenient to process.” (Van Parijs 1995, p. 39). But, since real-libertarianism is chiefly concerned with *individual* freedom, this criterion does not prescribe any form of mandatory collective organization, restrictions on how the basic income can be used or any other direct infringement on people’s legitimate scope of action. The satisfaction of the sustainability criterion should be left to “[..] the aggregation of people’s self-interested individual choices within a framework that creates adequate incentives” (Van Parijs 1995, p. 40). This entail that there should be payed particular attention to create and maintain “adequate incentives”.

Individual incentives that effect the supply of labour time and effort, and the supply of investments and savings, are assumed to be affected by the tax rate (cf. section 3.1 and 3.2). Since leximinning peoples purchasing power under the proper conditions is assumed to realize leximin opportunity – that everyone has the maximal opportunity to do whatever they might want to do – the tax rate should be set at a level that corresponds to the peak of the associated “Laffer Hyperplane” (Van Parijs 1995, p. 38). In other words, the tax rate should be set at the level that yields the highest tax revenue, and consequentially the highest sustainable basic income. The level of the “Laffer Hyperplane” is given by t^* in figure 1 and by G_{\max} in figure 2 and 3. These points on the presented Laffer Curves correspond to the Rawlsian criterion (2), which holds that the worst off should be as well off as possible, and thus also to the real-libertarian criterion of leximinning real freedom by supplying those at the bottom of the income distribution (as well as everyone else) with the highest possible basic income. This “Laffer Hyperplane” also corresponds to the highest possible supply of labour and investments, and is therefore assumed to have the propensity to increase the productive potential that is crucial to the required sustainability of the basic income scheme.

So, no direct moral responsibility is to be put on society's individuals toward the just aim of securing a basic income for the next generation. We are rather to assume, as is conventional within (neoclassical) economic theory, that people act atomistically in accordance with their own self-interests. Based on this assumption, it is up to the political community (i.e. the state) to establish and maintain a (socio-economic) framework that supply individuals with the proper incentives to secure the basic income scheme's sustainability over time.

4.3 Measuring Real freedom: Envy-free Distribution of Opportunity-sets

In *Real Freedom For All*, Van Parijs first spell out his conception of justice as real freedom. He then proceeds with the most central task of his book: to try to show that a universal basic income is the concrete institutional instrument required by this real-libertarian conception of justice. Finally, he takes on the question of choosing between the two differing socio-economic regimes of capitalism and socialism, on the background that we should choose the regime that best satisfies justice by supplying the highest sustainable basic income, i.e. we should choose the regime that leximins real freedom.

In order to make the distinctions that are required for this selection, it is necessary to have a metric that can tell us which situation among a range of situations is the one that contain the most real freedom for the person with the least of it. This is an issue that occur at two different levels. First, if we are to effectively carry out the task of leximinning real freedom within a given society's population, we need to be able to compare the real freedom of different individuals. And secondly, we have to be able to determine which socio-economic regime can supply this same population with the highest degree of real freedom.²⁰

Even though Van Parijs often draw a direct connection between the highest sustainable basic income and justice as leximin real freedom, we cannot simply settle these issues by choosing the situation that secures both formal freedom and the highest sustainable basic

²⁰ As Van Parijs explicitly mention, he is not trying to provide a meaningful way of comparing the opportunity-sets of the least free person across different societies. What he is mainly concerned with is to find a way to "[...] evaluate the opportunity-sets that can sustainably be provided to the worst off in some given society under alternative socio-economic regimes." (Van Parijs 1995, p. 55).

income (which in itself is a very multifaceted and complicated matter when differing socio-economic structures are to be compared). For as pointed out by Arneson (1992, p. 503-506), the ideal of real freedom is by itself not determinate enough to exclusively claim that leximinning real freedom requires the implementation of an unconditional basic income at the highest sustainable level.²¹ This point relates to the general difficulties of measuring freedom and comparing different freedoms to one another. These difficulties become evident if, e.g., because of differing leisure and income combinations, person A has the opportunity to do some things that person B does not have the opportunity to do, and vice-versa. Since A and B have the opportunity to do different things, their respective freedoms are not directly commensurable, and it becomes complicated to determine which one of them is the most free. The comparison between different socio-economic regime types becomes even more complicated, of course, if we take into account the plausible empirical assumption that differing regimes offer different combinations of activities and goods that can be enjoyed with one's individual leisure time and income, respectively. A further complication may likely come as a consequence of the fact that the implementation of a basic income scheme would represent a radical change in economic and social policy, as was first pointed out by Jon Elster (1986). Since it will be hard to attach probabilities to the different plausibly imaginable outcomes of such a radical social reform (Elster 1986, p. 714), it will most likely be very difficult, if not impossible, to properly foresee the different combinations of goods, leisure and income that will be available to different people after the implementation of a basic income.

Van Parijs (1995, p. 54) seems to concede to the point that the notion of leximinning people's opportunities is not sufficient to measure and compare the real freedom that is available to different individuals, or that obtain within different socio-economic structures. Since it is opportunity-sets that need to be compared in order to determine which situation it is that actually leximin's real freedom (given that formal freedom is protected in each situation), and since these opportunity-sets are given (at least in part) by the basic income payed out in cash, *there needs to be a non-arbitrary price structure*. This is because the prevailing price

²¹ The objection that Van Parijs' ideal of real freedom does not justify the *unconditionality* of the basic income scheme (in the specific sense that it has no work requirement attached to it) have been advanced from different positions, among others by White (1997, 2003, 2006) and Williams (2003). A lot of these objections stem from the notion that an unconditional basic income condones, or even facilitates, unfair exploitation by letting those who choose not to work live off the labour of their fellow working citizens. I will later return to discuss these objections, but for now we will stick to the problem of determining which one of a range of situations can be said to contain the most (leximinined) real freedom.

structure will determine which bundles of goods are available for purchase, and thus which combinations of external resources that are available to people with a given cash basic income. Further, the different compositions of these bundles will yield different opportunity-sets.

One way of solving the problem would be to say that if one opportunity-set is a proper subset of another set of opportunities, then the latter is superior with regard to (leximin) real freedom. But this way of comparing opportunity-sets gives us no way of measuring incommensurable sets. As a consequence, it would not make us able to establish that unreasonably unequal distributions, “[..] say, ten beaches and a castle versus a single blackberry bush[..]” (Van Parijs 1995, p. 50), are different with regard to the opportunities they supply simply because one set is not a proper subset of the other. It is therefore (rightly, I concur) rejected as being too forgiving of inequality.

Another way of comparison is to compare opportunity-sets with regard to the levels of welfare they enable people to achieve. However, people’s opportunity for welfare is not given solely by their opportunity-sets, but is rather given by the degree to which a given set of opportunities realizes a given set of preferences. This invokes the famous “problem of expensive tastes”: if person A has more expensive tastes or preferences than person B, equal (or leximin) opportunity for welfare would prescribe more resources to person A than to person B because person A’s preferences are more expensive to satisfy. Van Parijs (1995, p. 50-51) think that people should be held responsible for their own preferences, and he therefore reject this welfarist metric since he finds it implausible that individuals with relatively expensive preferences should be given more resources at the expense of individuals with relatively inexpensive preferences.

What Van Parijs (1995, p. 49) suggests is to adopt competitive equilibrium prices that would roughly equalize supply and demand, and then use this competitive value of resources as the metric to determine if the real freedom that is given by people’s bundles of goods are fairly distributed. For this to be a metric that is in accordance with the real-libertarian conception of justice, the competitive prices of resources should be given by their “opportunity-costs”, meaning that the prices of each resource reflect the opportunities that are foregone by others as a consequence of not being able to use this particular resource (Van Parijs 1995, p. 51). He then applies the criterion of envy-freeness, implying that equal real freedom should be properly understood as a condition where no-one envies anyone else’s

opportunities as reflected by their respective external resources. So, if the prices of resources are given by their opportunity cost, while at the same time no-one envies anyone else's bundle of external resources (in terms of the opportunities they supply), there is equality. This is because within a perfect equilibrium market, where the prices of resources are given by the costs to others of not having those particular resources, Van Parijs (1995, p. 52-53) holds that the payment of a per capita basic income that in sum equals the value of all of society's external resources, would represent equality of opportunity in the sense that no-one would be able to do more of what they might want to do by exchanging the resources that are available to them for the resources that are available to someone else.

The problem of expensive tastes is thus bypassed, since people's preferences now only determine the competitive market value of resources (in terms of opportunity-costs), and not how big their own respective bundle of resources should be. At the same time, there is said to be equality in the arguably relevant sense that no-one envies anyone else's opportunity-set. According to Van Parijs (1995, p. 53), this envy-free distribution of opportunity-sets constitutes a just baseline relative to which inequalities in real opportunities should be assessed. This seems to be a consideration in accordance with a demand for Pareto efficiency on a background of perfect equality, saying that we should reallocate resources only if it enhances the opportunities of at least one individual without decreasing the opportunities of others. Consequentially, he asserts that the only way to obtain both envy-freeness and Pareto efficiency is through competitive equilibria (Van Parijs 1995, p. 100). Thus, in the context of free market competition, the basic income should ideally represent a universal endowment of external resources or means that is equally valuable in terms of how much others would like to have them. The higher this basic income is, the higher the external resource based real freedom enjoyed by the person with the least of it.

To summarize, leximinning people's purchasing power through a basic income cannot be said to be the same as leximinning people's opportunities. For Van Parijs' argument to be cogent, it is therefore necessary to find a meaningful way of measuring and comparing different opportunity-sets. The metric that is given by opportunity for welfare is said to be untenable because it gives an unfair reward to those with relatively expensive preferences, which violates the liberal neutrality postulate that says conceptions of justice should be neutral on the subject of what constitutes the good life. Further, characterizing a distribution of opportunity-sets as unequal only if one set of opportunities is a proper subset of another, is

rejected as too forgiving of inequalities. Envy-freeness with regard to external resource based opportunity-sets is therefore demanded as a just baseline that in the sense that no-one envies anyone else's real opportunities. So, it seems, the justice-based argument for the implementation of a basic income is not that it secures the highest possible degree of real freedom for those who are worst off in this respect, but rather that a basic income is demanded by the implications of a resource based conception of distributive justice that is guided by the requirements of the liberal neutrality postulate and the no-envy test. A clear-cut consequence of this realization is quite obviously that Van Parijs' argument for the implementation of a basic income is apparently not based on the ideal of leximin real freedom in itself, but rather depend on the plausibility and rigour of his arguments grounded in the liberal neutrality postulate and the no-envy test.

The argument discussed in this section, that will be referred to as Van Parijs' *external resource argument*, is an argument that only take into consideration peoples external endowments while abstracting from relevant differences in internal endowments (such as talents, physical and mental dispositions, personal qualities, etc.).²² Van Parijs (1995, ch. 3) is, however, very aware of the consequences differences in internal endowments might have on the distribution of freedom understood as opportunity, and he presents a very realistically oriented moral argument for a distributive scheme that is meant to create and secure de facto justice to the extent possible. As will be discussed in section 5.1.2, the criterion he uses to deal with these kinds of inequalities will give us insight into how he applies the moral principles that real-libertarianism rests on. I will therefore briefly present the principle of "undominated diversity", which makes up this criterion within his theory that needs to be satisfied prior to our concerns with leximin opportunity.

²² Van Parijs (1995) use the terms "resource", "asset", "means" and "endowment" more or less interchangeably. When they are used together with the adjacent qualifying adjective "external", they are all used to denote both material and immaterial objects that are not included under Van Parijs' narrow concept of self-ownership. This effectively means all objects except one's body and mind. "Resource" seems to be used as the most general of these synonymous designations, "asset" often refer to wealth, "means" is used to express an object's significance for real opportunities, while "endowment" is generally used to invoke the comprehension that something is not necessarily entitled to, or deserved by someone. A single paragraph that perfectly exemplifies this interchangeable use of these four terms, is the one found on p. 101-102 in Van Parijs (1995).

4.4 Taking Differing Talents into Consideration: Incorporating Undominated Diversity into the Real-Libertarian Framework

Van Parijs' argument for a basic income is an external resource-based argument that assumes equality in people's individual internal endowments. Internal endowments refer to the human capital people are endowed with: their talents, abilities and capacities in all areas of life (Van Parijs 1995, p. 60). If the reality of differing internal endowments is taken into consideration, it becomes obvious that the type of equality that Van Parijs' external resource metric identifies is insufficient to confidently claim that the basic income scheme will tackle all of society's unjust inequalities. The injustice of these kinds of inequalities is well captured by the common use of the term "brute luck-disadvantage": it is unjust and unfair that someone is relatively disadvantaged as a consequence of circumstances they have no way of affecting.²³ Van Parijs (1995, p. 61) therefore sets out to articulate an additional defensible criterion of distributive justice that is not confined to the metric of external resources, while at the same time steering clear of the problem of expensive tastes related to welfarist metrics. This criterion has to take into consideration both internal and external endowments, the combination of which make up an individual's "comprehensive endowment" (Van Parijs 1995, p. 61-65, 74-75; Reeve 2003, p. 9). In accordance with Van Parijs' application of the neutrality postulate, the criterion must be articulated in a way that makes sure that if it is satisfied, inequalities in real freedom stem from differences in preferences and not from differences in internal endowments.

Drawing on his own generalization of the normative work of Bruce Ackerman (1980) on genetic engineering, he terms his proposed criterion "undominated diversity".

²³ Within the literature on distributive justice, especially within what is referred to as the luck egalitarian tradition, the distinction of the conception of luck into two different categories, one that we can reasonably hold people responsible for and on that we cannot, is commonly called the distinction between option luck and brute luck, respectively. Option luck, then, is the form of luck that it is common to hold individuals responsible for because it is thought to be connected to some kind of individual choice, while brute luck does not invoke any personal responsibility because no individual choice is thought to be involved – the outcome is totally coincidental, and therefore morally arbitrary, with regard to the relevant actor's actions. The distinction between option luck and brute luck was first formulated by Ronald Dworkin in his famous two part article "What is Equality?": "Option luck is a matter of how deliberate and calculated gambles turn out – whether someone gains or loses through accepting an isolated risk he or she should have anticipated and might have declined. Brute luck is a matter of how risks fall out that are not in that sense deliberate gambles." (Dworkin 1981b, p. 293). Within luck egalitarian distributive theories, establishing what is the most plausible explanation of what constitutes a morally relevant distinction between conditions that we hold an actor responsible for and ones that we cannot hold an actor responsible for, represent one of the most central philosophical debates.

Undominated diversity is satisfied if, when comparing the comprehensive endowments of two individuals, it is not the case that everyone in the relevant society would prefer one set of endowments over the other. The reasoning applied to reach this criterion seems to be that if everyone in society prefers one person's comprehensive endowments over another's, it would not be reasonable to hold the latter person responsible for preferring the former person's endowments, as this seems to be a universal preference. So, if everyone in the relevant society prefers the comprehensive endowments of person A over the comprehensive endowments of person B, person B is universally dominated by A, which qualifies B for special compensation up to the point where a situation of undominated diversity is reached (Van Parijs 1995, p. 73, 83).

Van Parijs (1995, p. 77-78) holds that for this criterion to be reasonably applied, the preference schedules of all the people involved in the assessment of the comprehensive endowments of A and B (including both A and B and the third-party assessors) needs to be both generally available and genuine. This means that they must properly understand all the consequences of having one set of comprehensive endowments as compared to the other, before they, on this background, determine which one of the compared sets they would prefer with regard to their own individual (and genuine) conception of the good life.²⁴ Redistribution on the undominated diversity principle continues up to the point where at least one of the properly informed assessors view the comprehensive endowment of B to be no worse than that of A.

When undominated diversity is reached, there exists a situation of "potential envy-freeness" in the sense that some generally available preference schedule(s) prefer A's comprehensive endowments while others prefer B's (Van Parijs 1995, p. 82-83). So if, e.g., B actually envies A's comprehensive endowments, this is not seen as a relevant condition for giving compensation to B as long as there exist a preference schedule that is considered to be generally available to B that prefer her comprehensive endowments to those of A. Hence, just as with external endowments, the applied notion of fairness that is to guide the distribution of

²⁴ Van Parijs (1995, p. 78) hold that no-one's actual and genuine preferences that are consistent with full information and understanding can be ignored, as this would entail violating the principle of equal respect in the sense of not respecting someone's preferences. In defence of undominated diversity he also writes that "[...] using the conceptions of a good life (and of what is required for it) that are actually (and genuinely) held in the society considered in order to assess dominance seems to me a sensible thing to do, as the aim is to consider the full range of preferences for the choice of which people can plausibly be held responsible." (Van Parijs 1995, p. 258).

internal endowments is one of envy-freeness. But since most, if not all, internal endowments are non-transferrable, Van Parijs settles for *potential* envy-freeness in comprehensive endowments as the underlying notion of fairness in the criterion of undominated diversity. In other words, if there is a plurality of preference schedules in the relevant society so that neither A nor B universally dominates the other, Van Parijs thinks B should be held responsible for the choice of whether or not to adapt her preferences so that she no longer envies A.

Van Parijs (1995) thus prescribe two different forms of distribution. One that utilize targeted benefits to secure that no-one's comprehensive endowment is universally dominated by anyone else's, and a universal basic income that, subject to undominated diversity being obtained, arguably secures a just distribution of external resources. The criterion of undominated diversity has been criticized from many different angles. Some object that it may treat two people with equal endowments and equal preferences differently merely because the preference schedules included in comparison of their comprehensive endowments are generally available to one but not to the other, and thus that it endorses indefensible horizontal inequalities (Williams 2003, p. 131-132). Others object that the criterion prescribes too little distribution to those who are unfairly disadvantaged with regard to their internal, and consequentially their comprehensive, endowments (Arneson 1996, p. 41), and also that it is not responsive to expensive welfare dispositions that people cannot reasonably be held responsible for (Vallentyne 1997, p. 336-337). However, Van Parijs seemingly holds a diametrically opposed view to all of these objections, and is more worried about the unwelcome prospect that the criterion of undominated diversity might waste too many of the resources that are available for redistribution. He therefore claims that if everyone's real freedom is greater when some form of universal dominance exists, justice requires that the criterion should be relaxed so that resources are free to be used in ways that better enhance leximin real freedom (Van Parijs 1995, 83-84).²⁵

²⁵ This line of reasoning is similar, though not at all identical, to the considerations that brought Dworkin (1981a, p. 242-243; 1981b, p. 299-300) to reject equality of welfare as a criterion of distributive justice. According to him, endorsing equality for welfare could very possibly lead to situations where enhancing the welfare of people with very expensive welfare dispositions would exhaust the state's budget, and that equality of welfare as a distributive principle therefore must be abandoned on moral grounds. Dworkin's reasoning on this point seems to compound the question of what is just and the question of what should be done to obtain this justice, which are two different questions that in this case are relevant on different levels of abstraction (cf. Cohen 2003; 2011). His objection to equality of welfare is thus arguably weakened. Van Parijs, on the other

4.5 Boosting the Basic Income: Regarding Jobs as External Assets

In the case of scarce land, we gave each member of the society concerned a tradable entitlement to an equal share of that land, and the endowment-equalizing level of basic income was given by the per capita competitive value of the available land. Similarly, in the case of scarce jobs, let us give each member of the society a tradable entitlement to an equal share of those jobs.²⁶

When abstracting from the previously discussed inequalities in internal endowments, the real-libertarian external resource argument claim that justice requires that the value of all external resources, given by their opportunity-cost in perfect competitive equilibria, are distributed equally among all of society's members. In practical terms this is said to entail that the level of the basic income is to be determined by the per capita value of society's external resources, and financed through a tax and transfer scheme (Van Parijs 1991, p. 112; 1995, p. 99). This essentially means that the basic income is to be entirely financed by those who have appropriated these external resources as their private property. If we also abstract from the incentive effects that are included in the estimation of the Laffer Curve (cf. section 3.2), real-libertarian justice would thus ascribe to a tax on the value of gifts and bequests set at 100%.

But what Van Parijs (1991, 1995) is trying to do is to show that justice require the practical implementation of a per capita basic income within the context of free-market incentives. Abstracting from the incentive effects that where so central to the Marxian argument presented in Van der Veen and Van Parijs (1986) will therefore surely not yield a satisfactory argument for how de facto justice is to be obtained. What Van Parijs (1995, p. 101-102) suggest is therefore simply to make the common assumption, based in a view of individuals as self-interested rational choosers, that lowering the tax level on gifts and bequests will incentivize people to take better care of their assets and to create new ones, so that a lower tax level will ultimately yield a higher tax revenue. In doing so, he does not refer directly to the Laffer Curve, but to its intended function by simply stating that the central task

hand, solely invokes the latter question, and answers that the condition of undominated diversity should be relaxed if this is necessary to satisfy leximin real freedom.

²⁶ Van Parijs (1995, p. 108)

is to find the tax level that yields the highest tax revenue (which corresponds to the Laffer Hyperplane), and thus the highest basic income. What he does refer directly to, however, is the example of the tax revenue in France, where “[...] the total value of what gets officially bequeathed or donated every year amounts to less than 3 per cent of GNP, while the total yield from gift and inheritance taxes is about 0.25 per cent of GNP.” (Van Parijs 1995, p. 102). As a more contemporary comparison, Norway’s assessed tax yield from wealth and property tax (from both individuals and businesses) and inheritance tax amounts to no more than 1,9% of the estimated total tax yield for the year of 2014 (NOU 2014:13, 2014, ch. 2).²⁷ Together with his previously mentioned concern that the criterion of undominated diversity may waste too many of the resources available for redistribution, in addition to the forms of in-kind provision justice may require, the example of France (a country with a relatively progressive universal tax system) is said to amount to bleak prospects for achieving a substantial basic income. A basic income that is exclusively financed on a gift and inheritance tax would probably fall well below the income level that is needed to cover basic needs.²⁸ Even in relatively wealthy countries, the tax base seems to not suffice if the only form of legitimate taxation is limited to the official transfers of external wealth (in the usual sense).

In order to argue for a legitimate increase in the level of the basic income, Van Parijs (1995, p. 107) refer to the fact that our capitalistic societies are essentially job societies where the organization of production is commonly characterized by employment relations. Since justice as real freedom is measured by reference to the baseline condition of perfect competitive equilibria, just wages would obtain when labour markets clear at equilibrium. This means that the market clears in the sense that the price of labour (wages) that obtain within perfectly competitive markets equalize supply of, and demand for, labour. But the assumption that competitive equilibria will obtain within perfectly free markets, is just another abstraction from realistic conditions that Van Parijs’ formulation of the external

²⁷ In NOU 2014:13, the yield for the wealth and property tax for both individuals and businesses for 2014 was estimated to amount to 22,6 billion Norwegian kroner. The yield from inheritance taxes was estimated to amount to 1,8 billion, while the total tax revenue for the same year was estimated to amount to 1261 billion Norwegian kroner. This simple equation gives us the percentage of the estimated total tax revenue for 2014 that wealth and property tax plus inheritance tax amounts to: $\frac{22,6+1,8}{1261} * 100 = 1,94\%$.

²⁸ Remember, however, that there is no demand from the side of real-libertarian justice that the basic income should exceed any given level of subsistence. But for the basic income to have at least some of the effects that is valued from the real-libertarian perspective, it is safe to say that its level needs to be higher than negligible. This does not, however, have bearing upon Van Parijs’ external resource argument, since it is not a consequentialist argument, but rather a rights-based argument claiming that a basic income should be a universal entitlement as a matter of justice. On the other hand, the leximin concern for the least well off seems to make the level of the basic income crucially important.

resource argument rests upon. For different reasons, real-world markets do not tend to reach this competitive equilibrium.²⁹ Within labour markets, it is often the case that the supply of labour is higher than the demand for labour, which amounts to varying degrees of *involuntary unemployment*.³⁰ According to Van Parijs, this involuntary unemployment amounts to unjust inequalities in people's real opportunities that need to be properly addressed and remedied.

To illustrate what he finds to be unjust about this involuntary unemployment, Van Parijs (1995, p. 107) draw on what is called insider-outsider and efficiency wage theories that explain why actual wages typically are higher than the wage-level that would clear a perfectly competitive labour market consisting of equally skilled workers. According to insider-outsider theories, employed workers gain significant bargaining power from the existence of hiring, training, and firing costs. This bargaining power is used to negotiate for wages that end up being higher than the market-clearing wage. Further, efficiency wage theories assume a causal relationship between wages and labour productivity, as the higher cost of losing one's job that is associated with a higher wage correlates to a better work performance and higher productivity. This amounts to a strong incentive for employers to offer their workers wages that are higher than those given by equilibrium in supply and demand. On this background, it can be reasonably assumed that even within a perfectly competitive economy, without such obstacles as minimum wage legislation and collective organization, there will be a significant difference between the hypothetical market-clearing wages and the actual wages paid out to the employed.

This difference makes up what Van Parijs (1995, p. 108) term *employment rents*. According to the external resource argument, only competitive equilibrium prices reflect an envy-free distribution consistent with efficiency and the neutrality postulate (Van Parijs 1995, p. 100). This is what makes up the real-libertarian baseline of justice (cf. section 4.3). These employment rents are therefore regarded as significant unjust inequalities in the means that the employed and the unemployed, respectively, are equipped with when trying to realize their conceptions of the good life. Van Parijs therefore claim that jobs should be viewed as another type of scarce external asset that is up for the same type of taxation that is prescribed

²⁹ Many different reasons have been put forth to explain why markets are consistently imperfect, i.e. that they do not clear at equilibrium. Obstacles to perfect competition are often referred to as a reason. Examples may include direct market regulations such as minimum wage laws, capitalist monopolies, union monopolies or collective organization in general. But, for reasons that are briefly mentioned in the next paragraph, inter alia, even within perfectly competitive markets, imperfections tend to be the norm.

³⁰ An individual is involuntarily unemployed if she actively searches for employment without getting a job.

by the external resource argument. This means that the totality of employment rents that exist at any given point in time should be included in the resource pool that finance the basic income.³¹ But, just as with other external resources, the just egalitarian baseline of competitive equilibrium should be departed from in accordance with the leximin principle. Drawing again on the assumed incentive effects that are used to estimate the Laffer Curve (Van Parijs 1995, p. 110-116), real-libertarian justice will therefore demand that the level of taxation falls short of confiscating the totality of employment rents. This is because, as I hope is clear by now, maximizing the real freedom of the least free is said to be exclusively consistent with the sustainable maximization of the basic income, and wages should therefore only be taxed up to the point where the tax yield, and hence the basic income, is maximized (Van Parijs 1995, p. 116).

4.6 Resisting the Exploitation Objection

Precisely because of the previously discussed inclusion of wages into the basic income tax scheme, many have objected to Van Parijs' real-libertarian proposal on the grounds that the implementation of a basic income would facilitate and endorse exploitation by letting those who choose not to work live off of nothing but the product of the labour of their fellow working citizens. This kind of objection was first levelled against Van der Veen and Van Parijs' (1986a) initial non-normative argument for a basic income by Jon Elster (1986).³² In their reply to Elster's (1986) comment, Van der Veen and Van Parijs (1986b, p. 726) emphasize that everyone in a basic income society would be subject to the same choice of whether or not to work, and that "formal fairness" is as well respected when everyone has the

³¹ Van Parijs (1995, p. 90) treat jobs as packages of tasks and benefits. The benefits one derive from holding a job can be pecuniary, i.e. wages, or non-pecuniary, e.g. promotions and/or social status. Within the real-libertarian framework, both categories of benefits should be properly understood as advantages in so far as they enhance people's real opportunities. Non-pecuniary advantages should thus also be subject to legitimate taxation. But given the epistemic difficulties involved in calculating employment rents that include non-pecuniary advantages, Van Parijs (1995, p. 115-116) conclude that it is employment rents given by the difference between the hypothetical market-clearing wages and actual wages that should be subject to taxation.

³² Elster (1986, p. 719) writes that the "[...] the [basic income] proposal goes against a widely accepted notion of justice: it is unfair for able-bodied people to live off the labor of others. Most workers would, correctly in my opinion, see the proposal as a recipe for exploitation of the industrious by the lazy." Similar objections are also included in many comments on and discussions of Van Parijs' real-libertarian argument for a basic income. Examples include Arneson (1992, 1996), Vrousalis (2013, esp. p. 145-148), Williams (2003) and White (1997, 2003, 2006).

opportunity not to work as when no one does.³³ But a further valid objection to this reply would be that a capitalist society without a basic income cannot be properly described as a society where no one has the opportunity not to work, and that this reply therefore is not pertinent. The simple relevant fact is that, because of such things as differences in inherited wealth, the resources within existing capitalist societies are distributed so that some people with identical utility functions will have the choice whether or not to work, while others will not. To be fair, in their reply, Van der Veen and Van Parijs (1986b, p. 726) are referring to a socialist society that is strictly organized after the principle “To each according to his labour”. But then it should also be considered that this principle of fair exchange, that each individual should be rewarded in proportionality to how much work she puts in to the social product, is not necessarily the principle that underpins the exploitation objection. In section 5.4.1, it will, following White (1997, 2003, 2006), be argued that this exploitation objection can be properly grounded in a principle of reciprocity, and that doing so provides a more plausible account of why exploration should be considered unfair.

However, in his (very thorough) discussion of what should be regarded as unfair exploitation, Van Parijs (1995, ch. 5) sticks to a review of four conceptions of exploitation that are all based in either a principle of fair exchange or some principle of individual entitlement. He rightly claims that a suitable definition of exploitation must specify when taking advantage of someone else’s work should be properly understood as unfair (Van Parijs 1995, p. 145). Judging from his exclusive attendance to conceptions of exploitation that are grounded in principles of either fair exchange or individual entitlement, it seems that he thinks exploitation should only be viewed as unfair when someone appropriates assets they are not rightfully entitled to in virtue of their own particular contribution to the production of these assets. Three of these conceptions of exploitation are considered to be at odds with distributive justice understood in terms of real opportunities because they allow for unfair inequalities in brute luck, while the fourth is considered as not strong enough to amount to a forceful objection.

³³ Recall here that Van der Veen and Van Parijs’ (1986a) Marxian argument, as opposed to Van Parijs’ (1991, 1995) real-libertarian argument, demand that the basic income should not fall below the level of subsistence. The answer that a basic income at or above the level of subsistence would enable people to make a real choice whether or not to work thus seems, at least on the face of it, to be a plausible answer to Elster’s (1986) objection.

The conception of exploitation that is underpinned by the principle “To each according to his labour”, is termed “Lutheran exploitation” by Van Parijs (1995, §5.5). The underlying principle of fairness is that the value of the benefit one is entitled to is proportional to the value of one’s individual labour contribution to the social product. Value is in this context understood in Marxian terms as labour value, where the value of a product is given by the amount of labour that was required for its production. This conception of exploitation amounts to an objection to the basic income scheme in the sense that the basic income’s unconditionality would sever the link between labour contribution and entitlement to a proportionate piece of the social product. But this conception of exploitation will not suffice, according to Van Parijs (1995, p. 160), because it endorses unjust brute luck inequalities in so far as differences in the value of labour may be nothing more than a direct consequence of inequalities in, e.g., productive skills.

Similarly, “Lockean exploitation”, rests on the claim that the worker is entitled to the whole fruit of their labour. Supplying an income to those who choose not to work is therefore seen as exploitative toward those who do. But the principle of entitlement underlying this objection may be giving an unjust brute luck advantage to those who just happen to be endowed with relatively more fertile soil, or better and more productive tools than others (Van Parijs 1995, p. 153). Those who work under conditions that yield a bigger product with the same amount of labour would on this view be entitled to a bigger piece of the social product than those who work under less productive conditions. These conditions cannot necessarily be causally connected to a plausible notion of individual responsibility or desert. The Lockean conception of exploitation is therefore also inclined to accept brute luck inequalities that are regarded as unjust within the real-libertarian framework, and must be abandoned. What then about a definition of exploitation based in a principle that says benefits should be distributed in proportion to each individual’s productive effort? The basic income would on this view be regarded as exploitative precisely because some individuals who receive it has not made themselves deserving recipients by putting in the required productive effort. But also here it may be argued that the difference between those who are deserving and those who are not, only reflect initial brute luck inequalities in people’s capacities to make such effort. Further, rewarding effort is said to be discriminatory in favour of those who happen to think that the good life consists in working hard, and this “strong effort principle” thus violates the liberal neutrality postulate (Van Parijs 1995, p. 169), which is morally prior to most other principles on the real-libertarian view.

What is emphasized from the real-libertarian perspective is that people's life prospects should, to the extent possible, only be affected by choices that they themselves can reasonably be held responsible for. This emphasis has led Van Parijs to formulate the external resource argument, where a just baseline is defined as an equal distribution of real opportunities given by an envy-free allocation of external endowments. As Van Parijs has correctly argued, both the Lutheran, Lockean, and the strong entitlement conception of exploitation is at odds with this principle of equal opportunity. This is because the principles underpinning these conceptions of exploitation all allow for distributions that may reflect nothing more than inequalities in circumstances that no-one can reasonably be held responsible for. But what about a position that says basic income is exploitative on the grounds that there should be some (weak) positive correlation between income and productive effort? This position does not seem to be in direct conflict with a reasonable reading of the principle of equal opportunity, since it does not, if properly qualified, necessarily lead to an acceptance of brute luck inequalities. But, at the same time, this principle is not strong enough to represent a forceful exploitation objection to the implementation of a basic income scheme (Van Parijs 1995, p. 167-169). This is because, when the leximin principle is properly applied so as to maximize the per capita basic income, the tax rate will fall short of confiscating the entire value both of gifts, bequest and, most importantly, employment rents. The implementation of the highest sustainable per capita basic income is thus in accordance with principles that demand some (weak) positive correlation between income and productive effort.

Van Parijs go through one more conception of exploitation, viz. a form of relational exploitation developed by John Roemer. But this is not done to qualify the real-libertarian argument so as to meet the exploitation objection. It is rather done in order to modify Roemer's conception of exploitation so that it can be used to assess both capitalism and socialism on an equal ground with regard to the problem of exploitation more generally. Thus, the elaboration of this last conception of exploitation need not occupy any space in this study, as it is not relevant to the question(s) at hand.

5 Would a basic income remedy unjust inequalities?

After an extensive but necessary explanation of Van Parijs real-libertarian case for a basic income, we are now back to the most central task of this thesis, viz. to answer the question of whether or not Van Parijs is successful in showing that the basic income scheme he suggest constitutes a first-best solution to remedy what his applied theory of justice regards as unjust inequalities.

This chapter is divided into four sections, each of which is divided into two parts. Section 5.1 is focused on explicating Van Parijs' (1995) application of the principles of equal concern and respect. Section 5.2 is devoted to a discussion concerning the questions about the justification of the roughly outlined tax scheme Van Parijs (1995) proposes, as well as to a discussion of the proper place for moral responsibility. Section 5.3 draws on and continues the discussion from section 5.2 and argues that the criterion of undominated diversity is too weak to secure fair and just compensation for those who are relatively disadvantaged through no fault or choice of their own. Further in section 5.3, it is argued that the (re)distribution the basic income represents is not mandated by the criterion of envy-freeness Van Parijs (1995) deploys to justify it. This discussion leads over to section 5.4, where a principle of reciprocal moral responsibility is presented and discussed as an answer and potential alternative to the notion of individual responsibility maintained by Van Parijs, before a few words is said more generally about how to make egalitarian proposals politically viable within democracies.

5.1 Explicating Unjust Inequalities on the Real-libertarian view

Before we can go about answering the question of whether or not the implementation of a universal and unconditional basic income on the highest sustainable per capita level will constitute a first-best solution to remedy the specific inequalities that are considered to be unjust and unfair on the real-libertarian view, we obviously need to properly explicate what kind of situations it is that constitute such unjust inequalities according to this particular conception of justice. Van Parijs (1995) does not supply any clear cut and plainly explained

list of situations that he thinks can be regarded as in violation of his real-libertarian conception of justice, and I therefore think that we are best advised to turn to the principles central to his theory and actively investigate how he applies them himself, in order to get a good understanding of what real-libertarians would regard as unjust social situations both in theory and in practice.

Van Parijs (1991; 1995; 2003) presents real-libertarianism as a plausible and defensible interpretation of the liberal principles of equal concern for everyone's interests and of equal respect for differing conceptions of what constitutes the good. In the following two sections, I will therefore try to illuminate the respective relevance of these two moral principles to the real-libertarian conception of justice by reference to how Van Parijs chooses to apply them. This will result in a clearer understanding of in what sense specific inequalities are seen as just or unjust, and will thus be conducive to answering the question of whether or not Van Parijs' proposed basic income scheme will treat these inequalities in strict accordance with the conception of justice he proposes and defends.

5.1.1 Application of the Principle of Equal Concern

Real-libertarianism is a liberal-egalitarian conception of justice claiming that maximizing people's freedom to do whatever they might want to do in accordance with their own individual conception of what constitutes the good life is all there is to justice. In order to realize this conception of justice within a given society, Van Parijs (1995) argues that it is necessary to create and sustain a permissive institutional set-up, that – while respecting everyone's individual formal rights – also actively try to enhance and secure every individual's ability to act autonomously on their formal rights, amounting to actual, real opportunities for everyone to lead what they personally consider to be good lives.³⁴ The most fundamental part of this institutional set-up is, according to real-libertarianism, a universal and unconditional basic income working within a system of free-market incentives.

³⁴ With regard to the liberal principle of neutrality, and in the context of justice being regarded as a primary social virtue, Van Parijs (1995, p. 242-243) write that “[..] the State has [...] no more important purpose, than the maintenance of rules and the provision of facilities that make it possible for each individual to pursue her own goals – as opposed to the realization of some collective project, such as national expansion or the transformation of man.” This seems to entail, I contend, that social institutions should be as little restrictive as is compatible with securing formal freedom and leximinning people's real opportunities.

As is the case with other liberal-egalitarian conceptions of justice, the *principle of equal concern* is fundamental to the real-libertarian position (Van Parijs 1995, p. 28). This principle says that everyone's interests should be given equal concern. It is thus, in this respect, an essentially egalitarian principle. Real-libertarianism is, however, not a straightforward egalitarian theory in the sense that it does not view equality as something good in and of itself.³⁵ Alternatively, the large inequalities that are created by the functioning of capitalist institutions within modern democracies are seen as bad or damaging, because they put a lid on the opportunities of those who are relatively deprived in these societies. What is regarded as intrinsically valuable is real freedom to pursue one's own genuine interests – ultimately, one's own conception of the good – and the members of what real-libertarians legitimately may call a free society should therefore be as free as possible to do so.

Since real opportunity is essentially understood as effective access to the means (of whatever kind, internal and external) for doing what one might want to do, the distribution of these means, or resources, also become essential to the theory. But this distribution is essential only in an instrumental way. It is not a certain distribution of resources that is the end-goal for real-libertarianism. Rather, because of the connection that is drawn between means and freedom in the concept of real opportunity, a certain distribution of external assets, i.e. the basic income, is seen as *the* essential instrument to promote real freedom – that every individual is as free as she possibly can be in accordance with the leximin rule. How Van Parijs interprets the principle of equal concern is thus in part given by the restrictions applied within his theory that makes it differ from strict egalitarianism.

This divergence from the ethical principles of strict egalitarianism is primarily expressed in three basic ways within the real-libertarian theory of justice (Van Parijs 1995, p. 28-29). First of all, any form of equalizing exercise is subject to the condition that formal freedom is properly protected. The priority of people's formal rights is thus prior to the priority of the distribution of opportunities between them. Further, real-libertarianism is not concerned with the quality of outcomes, as strict egalitarian positions sometimes are.³⁶ It is

³⁵ As pointed out by Holtug and Lippert-Rasmussen (2006, p. 1-2), all major normative political theories attach some value to some notion of equality. But the value attached to equality is often of an instrumental kind: equality is seen as valuable in so far as it promotes other values. What makes a theory essentially egalitarian, is that it regards equality as intrinsically valuable; as good for its own sake.

³⁶ One example of what we might call welfarist outcome egalitarianism, is the considerations discussed in Parfit (1997), where different possible outcomes in terms of welfare are considered and compared to one another in

rather concerned with feasible and viable opportunity-sets as the practical expression, or representation, of individual freedom. How people utilize these opportunities, on the background of equality of internal endowments in the arguably relevant sense of undominated diversity, is up to themselves qua being reasonable and responsible individuals, and is therefore not a concern of justice as long as no one else's real freedom is unreasonably violated. Lastly, the leximin rule rejects any form of leveling down, as it requires that we always choose the situation that provides the most opportunity for those who are worst off in this respect. In other words, real-libertarianism will never prescribe that the opportunities of those with the least of it are decreased for the sake of achieving equality. This seems to be what forms the basis of Van Parijs' (1995, p. 29) claim that even though leximin opportunity is not an egalitarian principle, it is the principle that best secure the opportunities of the victims of whatever inequalities are allowed to subsist, while still being compatible with (Pareto) efficiency.

This gives us a clearer view of in what capacity inequalities are seen as unjust and unfair by real-libertarians: inequalities in opportunities must be regarded as unjust to the extent that they represent a greater obstacle on people's real freedom than what they would have under a different feasible situation characterized by less inequality. So, if A and B are endowed with equal internal resources, and if A enjoys more real freedom than B does as a consequence of an unequal distribution of external resources, this distribution would be justified on the real-libertarian view if B *cannot* point to a situation where her real freedom would be enhanced, and where at the same time A does not fall below B's initial level of real freedom. The situation would be regarded as unjust, if, and only if, B *can* point to a different feasible situation where her real freedom is increased, and that also does not entail that A falls below B's initial level of real freedom. This is the practical consequence of a strict adherence to the principle of leximin opportunity, which according to Van Parijs (1995, p. 28-29) is, when properly applied, in accordance with the principle of equal concern for everyone's interest. But, as established in section 4.3, the real-libertarian case for a basic income cannot

order to determine which one would represent the best state of affairs. As Parfit (1997, p. 204) writes: "I am concerned with people's being *equally well off*. To be egalitarians, in my sense, this is the kind of equality in which we must believe". However, it should also, as a matter of form, be noted that being a strict egalitarian is not necessarily synonymous with a concern about outcomes. One can also be a strict egalitarian by demanding that, e.g., initial opportunities or probabilities should be distributed in a perfectly equal fashion, while at the same time holding that what the outcomes of these opportunities or probabilities is not a concern of distribution, and/or distributional justice.

be defended solely on the grounds of leximin opportunity, but rather hinges on Van Parijs' application of the condition of envy-freeness and the liberal neutrality postulate.

5.1.2 Application of the Principle of Equal Respect

Van Parijs (1995) argues that within a pluralistic society where there is reasonable disagreement among citizens on the question of what constitutes the good life, any plausible conception of justice needs to ascribe to the general *principle of equal respect*. This principle is embodied in the liberal neutrality postulate, stating that what is considered to be a just society should not be determined on the basis of some particular substantive conception of the good life (Van Parijs 1995, p. 28). This is in part what led Van Parijs to reject positive interpretations of freedom: no subjectively determined goal can, on his view, properly describe the true liberal meaning of freedom. As is to be discussed in the following, Van Parijs' specific application of the principle of equal respect also has consequences for in what ways he thinks inequalities should be viewed as unjust.

Van Parijs (1991, 1995) formulates his defense of his external resource argument, and indeed his entire conception of justice, in terms of opportunities as opposed to outcomes, and in terms of resources as opposed to welfare. This is because he conceives of distributive principles that focus on outcomes or achievable welfare as bound to violate the principle of equal respect by adopting a welfarist metric to assess and compare the virtue of differing outcomes. As discussed, the use of such welfarist metrics will on Van Parijs' account arguably invoke the problem of expensive tastes: if it is the value of outcomes that are to be assessed, and equalized or leximined, such distributive principles would prescribe more resources to those with relatively expensive tastes in order for them to reach some given level of welfare. The same is said to be the case for theories that focus on opportunity for welfare.

That everyone is entitled to enjoy an equal or leximin level of welfare, is according to Van Parijs (1995, p. 50) an implausible conception of justice because people must be held responsible for the informed choices they make, which includes the genuine preferences they adopt. So, since he thinks concentrating on outcomes or opportunities for welfare would amount to a rationale for giving more resources to those with relatively expensive tastes, Van Parijs (1995, p. 51-54) holds that we should rather concentrate on leximinning people's

opportunities by giving them equal access to the value of resources in terms of opportunity-costs.³⁷ On his view, people are responsible for their own preferences in so far as potential envy-freeness obtains. Giving more to those whose preferences are relatively expensive to satisfy would thus be in violation of the principle of equal respect as it amounts to an unjust favouring of the specific conceptions of the good that yield these expensive tastes (Van Parijs 1995, p. 59).³⁸

Van Parijs (1995, p. 83, p. 258) also explicitly refer to the principle of equal respect when defending this criterion of potential envy-freeness, which is supposed to compensate for bad brute luck in internal endowments. As discussed in section 4.4, potential envy-freeness is realized as long as there is a plurality of generally accessible and genuine preferences so that no part in a comparison of comprehensive endowments universally dominates the other. If the relevant plurality in preferences do not exist, people who are regarded as disadvantaged by all available preference schedules cannot be regarded as having a fair opportunity for a good life.

³⁷ A possible answer to those that think, as Van Parijs does, that concentrating on people's welfare necessarily lead to an unjustified rational for giving more to those who have (cultivated) expensive tastes that it is reasonable to hold them personally responsible for, can be found in Vallentyne's (2002) applied principle of equal initial opportunity. He differentiates between initial brute luck, the probability for which should be equalized, and brute outcome luck, which people have a degree of personal responsibility for, and that should only be compensated for if this is reasonably affordable. As he himself concludes:

The point is not that justice never permits compensation for brute outcome luck. It is rather that justice does not always require such compensation. Initial opportunity egalitarianism favors such equalization just to the extent that it efficiently promotes equality of initial opportunities (e.g., same degree of equality but with more valuable opportunity sets for all). To the extent that administrative costs are low, incentive effects are nonnegative, and the value of opportunity sets reflects some risk aversion, equality of initial opportunity for advantage will tend to favour compensating for bad brute outcome luck (Vallentyne 2002, p. 544).

This application of the principle of equal opportunity does not give us a rational to compensate those who have *cultivated* or otherwise acquired expensive tastes, at the same time as it demands that those who are stuck with expensive welfare dispositions that they themselves cannot be held reasonably responsible for (e.g. the handicapped) should be properly compensated so that they have opportunities that are roughly on par with those of others.

³⁸ In addition to pointing out that a concern with outcomes or opportunities for welfare does not, when properly qualified so as to be sensitive to responsibility, necessarily invoke the problem of expensive tastes, one could object to Van Parijs' position by arguing that it amounts to an unjust favouring of those with inexpensive preferences and little willingness to work relative to those with expensive preferences and (therefore) a higher willingness to work, as the basic income tax scheme would render the latter worst off than under alternative schemes where a bigger part of one's wage is kept as personal income. Further, as Cohen (2006, p. 2) has pointed out, because the real-libertarian basic income is to be implemented into a capitalist socio-economic regime, and since the tax rate that yields the highest tax revenue is not 100%, there will still be a significant level of, e.g., inherited wealth as well as other inequality inducing components that will affect the distribution of assets under basic income capitalism. This means that among people with identical utility functions, some will work and some will not, because some have in coincidental ways ended up owning more assets than others and therefore need to work less in order to satisfy their (equal) preferences.

This is because they cannot be reasonably expected to adapt preferences that do not exist in the society they live in. Hence, targeted redistribution is prescribed up until the point where a condition of undominated diversity obtains and a genuine choice to adapt preferences is regarded as available to all.

Many have objected in different ways to the criterion of undominated diversity on the grounds that it prescribes almost no, if any, redistribution to those who suffer from bad brute luck, and therefore that it is practically obsolete (e.g. Arneson 1996). But Van Parijs (2003, p. 203-205) still claim that this is the best criterion for tackling unjust inequalities in internal endowments on the grounds that it holds people responsible for their preferences, while at the same time giving equal respect to everyone's preferences. When comparing comprehensive endowments, everyone's preferences has to be given equal respect. For if we choose to ignore some individual's actual and genuine preferences that are consistent with full information and understanding, this would amount to a situation where we no longer give this particular individual's preferences the equal respect they deserve (Van Parijs, 1995, p. 78).

To a great extent, this describes how, and in what sense, inequalities are justified on the real-libertarian view by reference to the principle of equal respect. Firstly, people are to be held responsible for their (informed and conscious) choices, which is said to include their genuine preferences. If they are not, it would be a violation of the principle of equal respect in the sense that we are no longer neutral to the substantive question of what constitutes the good life. In addition, as illustrated by the problem of expensive tastes, not holding people responsible for their preferences would yield distributions that are regarded as implausible, and that are therefore not mandated by, the real-libertarian conception of justice. Secondly, real-libertarian justice is to be properly understood as being about *leximin* real freedom. And, on the background of *leximin* real freedom being satisfied, what responsible individuals make out of their own respective opportunities need not be corrected as a matter of justice. So, Van Parijs' (1995) position seems to be that the only inequalities that need to be remedied through active and targeted *redistribution* of resources, are those brute luck inequalities that are comprised by the criterion of undominated diversity. When undominated diversity obtains, the distribution of a per capita basic income is argued to represent a distribution of

opportunities in accordance with the leximin principle, and justice is thus said to be achieved.³⁹

5.2 Questions Concerning Justified Taxation and the Proper Place for Individual Responsibility

So, subject to formal freedom being secured, a conjunction of the principles of undominated diversity of comprehensive endowments and sustainable maximin distribution of the value of external resources represents the requirements for real-libertarian justice (Van Parijs 2003, p. 203). As was just discussed, these applied principles of distributive justice are developed in accordance with Van Parijs' specific interpretation of the principles of equal concern and respect. The application of these principles shows what kind of inequalities real-libertarians view as unjust, and how they should be compensated for. But compensating for unjust inequalities is not simply a matter of giving to those who are deemed to be victims of these inequalities. The resources granted to those who are unjustly situated must come from somewhere. Since the very essence of any distributional problem comes from the fact of scarcity, it follows that any answer to this problem require that resources are reallocated from someone (or somewhere) else. Supplying a plausible justification for how and why inequality should be viewed as unjust is thus only half the task. One also needs to supply a plausible justification for the confiscation of the relevant resources that one has decided should be redistributed. In order to properly justify the basic income and the tax scheme that follows with it, Van Parijs therefore needs to supply such a plausible normative justification for the confiscation of values this tax scheme represents. A discussion centred on a question

³⁹ Of course, the initial implementation of a basic income would represent a *redistribution* of resources relative to how they are distributed in existing contemporary capitalist economies. But, if and when the basic income is eventually institutionalized, the real-libertarian basic income will no longer necessarily be a form of *redistribution*, but will rather be an effective form of distribution. This is so because a real-libertarian basic income is regarded as an individual right, an entitlement on par with, e.g., the right to vote (cf. e.g. Wright 2004*b*, p. 85). Consequentially, the basic income will, when properly institutionalized, constitute the mechanism that distributes to everyone the share in the value of society's resources that it has been established that they are equally and rightfully entitled to. Also, referring to the functioning of free-market capitalism as "distribution" and to political intervention in its functioning as "redistribution", invokes the strictly libertarian view that distributions given by the free market are in some sense "natural", while politically decided redistribution is in some sense a violation of fundamental natural freedoms (Wright 2004*a*, p. 3). Such strict libertarian positions are, as mentioned, termed "rights-fetishism" by Van Parijs (1995, p. 15), and are clearly in direct opposition to his definition of real freedom as essentially connected to material means that contribute to create real opportunity, as opposed to mere formal freedom.

concerning if Van Parijs is successful in doing so is the subject for the next section, before we move on to take a closer look at Van Parijs' notion of individual responsibility and some much-debated problems stemming from it.

5.2.1 Is Van Parijs' Proposed Tax Scheme illegitimate on his own Account?

As pointed out by both Vallentyne (1997, p. 328) and Cappelen and Pedersen (2015, p. 358), Van Parijs (1995, p. 99-101) endorses a form of common ownership of natural resources. But this does not entail that how natural resources are used should be decided upon through collective decision-making. Rather, the underlying principle of appropriation is such that whoever wants to use a natural resource that is not already claimed by someone else is entitled to do so on the condition that she pays society for the reduction in market value her use involves. Private appropriation of a natural resource is also allowed as long as someone else has not already claimed it, and as long as the appropriator pays society the market rent value of the rights to exclusively control the relevant resource. This means that those who appropriate natural resources as their private property must pay a social rent that is equivalent to the opportunity-costs this private appropriation represents for the rest of society. This amounts to a form of social ownership where no-one can privately own natural resources without paying the costs in opportunities this private ownership imposes on others. Van Parijs (1995, p. 101) subsequently argues that this should also be the case for the significantly broader category of external resources. When we prescind from the condition that the tax yield should be maximized to satisfy the leximin criterion, real-libertarian justice demands that all transferrable external wealth, viz. gifts, bequests and wages, should be entirely confiscated through taxation and distributed as a basic income.

A clear-cut and generally applicable distinction between resources that are internal or external to the individual agent would seem to be that external resources are independent of the agent while internal resources are in some relevant way dependent on the agent. External resources could be regarded as independent in this sense because no one individual is responsible for these resources: they do not represent an individual's characteristics or attributes, and they are not the product of intended individual actions (Cappelen og Pedersen 2015, p. 358). This is how Cappelen and Pedersen (2015) treat Van Parijs' definition of external resources. They are seen as independent of the individual agent in the morally

relevant sense that no one individual has an exclusive claim mandated by justice to goods that are regarded as external resources. Thus, these external resources can be regarded as subject to social ownership, and should therefore legitimately be distributed equally among society's members.

As Cappelen and Pedersen (2015) see it, this is Van Parijs' rationale for why justice requires that gifts, bequests and wages should be taxed at 100%, when abstracting from incentive effects. This is, however, not an entirely correct description of how Van Parijs use the term "external resource" (along with the terms "external asset", "external means" and "external endowment", where "external resource" is the most general synonym). The term is meant to include "[...] whatever usable external object in *the broadest sense* individuals receive access to.", and the relevant pool of external assets that should finance the basic income is "[...] of course the *whole set of external means* that affect people's capacity to pursue their conceptions of the good life, *irrespective of whether they are natural or produced.*" (Van Parijs 1995, p. 101. *My italics*).⁴⁰ The relevant resource pool is therefore not necessarily limited to gifts, bequests and wages, even though these are the specific types of external resources that should be taxed and redistributed in accordance with Van Parijs' proposal. These specific resources are not chosen as the source of taxation that finances the basic income because they are "independent of agents", but rather because they are transferrable resources that can be *taxed in practice as well as in accordance with justice*.⁴¹

Cappelen and Pedersen (2015, p. 361) precede to argue that employment rents, on Van Parijs' own account, but contrary to his own conviction, are not legitimately comprised by social ownership and that they therefore cannot be legitimately included into the tax base of the basic income. They refer to an interview with Van Parijs (Van Parijs 1997) where he answers a question about why it is justified that people who choose not to work should get an unconditional income that effectively lets them free-ride on the product of working people's efforts. Van Parijs answer is along the lines that a lot, if not most, of the income that is payed

⁴⁰ This is a good example of how Van Parijs (1995) use the terms "resource", "asset", "means" and "endowment" interchangeably. As mentioned in footnote 22, the full paragraph on p. 101-102 in Van Parijs (1995), where these quotes are found, illustrates this perfectly.

⁴¹ I believe that the somewhat incorrect representation of how Van Parijs uses the term "external resources" that is given by Cappelen and Pedersen (2015) stems from a simplification and generalisation of the term, and from the fact that they interpret it in direct relation to Van Parijs' libertarian starting-point. Although I see nothing wrong with this in principle, I think it is more conducive to the general discussion (on real-libertarianism) to ascribe to scholastic norms of comprehensiveness in these types of issues, so as to rule out as many unnecessary misunderstandings as possible.

out to labour is derived from inherited resources that on-one within the living generation has a legitimate moral claim to. At the same time, the inequality in benefits derived from different jobs, and especially the inequality in the distribution of (payed) employment in itself, cannot be ascribed to factors that unemployed nor employed people can reasonably be held responsible for (cf. Van Parijs 1995, §4.4). It is therefore not justified that unemployed people should be made to bear the costs of these inequalities, and the value of employment rents should thus be distributed equally as a basic income for all. In his formulation of this answer, Van Parijs (1997) include:

[..] what I ask people who make this free-rider objection to realize is how large this background of gifts that we receive in all sorts of forms, actually is. These gifts are appropriated to a very unequal and unfair extent by the people who happen to be able to contribute by having the best paid and most attractive jobs.

On this background, Cappelen and Pedersen (2015, p. 361) conclude that employment rents are to be regarded as gifts. They then claim that gifts, bequests and employment rents are all created by someone (e.g. an employer). They are therefore not “independent of agents”, and cannot be equated to natural resources. Since these transfers are not independent of agents in so far as their contents have been created by the transferor, they argue that Van Parijs has not satisfactorily shown that real-libertarian justice demands – barring incentive considerations – that gifts, bequests and employment rents should be taxed at 100%. This argument, however, does not hit the mark completely, because, as was just established at the end of the second paragraph on the previous page, Van Parijs has never claimed that the value of natural resources, or all other types of external resources for that matter, which he argues include gifts and bequests as well as wages, should be distributed equally in the form of a basic income because they are independent of agents. The reason they should be distributed equally is that no-one can legitimately claim that they are exclusively morally entitled to the whole value of some resource(s), because this value, and its unregulated distribution, is given by a range of more or less coincidental circumstances that no individual can claim full personal responsibility for, even though they might privately own the relevant resource(s) in question.

However, if we claim, as Vallentyne (1997) does, that Van Parijs’ (1995) conception of self-ownership is too weak and too narrow for the reason that he does not give individuals the right to freely manage their privately owned assets in a way that includes effectively

allocating wealth through gifts, bequests and wages, and that individuals are entitled to their own good brute luck, without everything being confiscated through taxation, Cappelen and Pedersen's (2015) argument becomes more cogent and accurate.⁴² But siding with Vallentyne (1997) implies that our arguments operates on the background of a different conception of justice that, among other things, ascribes to a stronger conception of self-ownership than real-libertarianism does. It is therefore no longer possible to claim, on this particular background, that Van Parijs is unsuccessful in showing that *real-libertarian justice* demands 100% taxation of all transferrable wealth. The overall conclusion to be drawn in this matter is that Cappelen and Pedersen (2015) have not convincingly shown that Van Parijs' (1991, 1995) rational for claiming that real-libertarian justice demands full taxation of all external resources is unjustified.

5.2.2 Van Parijs' Notion of Individual Responsibility

What Cappelen and Pedersen (2015, p. 358) have done convincingly, on a somewhat different note, is, following Elisabeth Anderson (1999), to place Van Parijs (1991, 1995) within the framework of luck egalitarian distributive theories. The term "luck egalitarianism" was first coined by Anderson (1999) in her comprehensive critique of these theoretical positions. These positions themselves have noticeably been around for a long time, especially among theorists that mainly focus on just economic distributions, and the first theoretical contributions that explicitly defined the principles of luck egalitarianism (Arneson 1989; Cohen 1989) came ten years before Anderson's (1999) critique was published. What makes a conception of social justice essentially luck egalitarian is, generally, that they combine egalitarian principles with an ethic of personal responsibility (Arneson 2011, p. 27; see also Lippert-Rasmussen 2014). For most luck egalitarians, personal responsibility is seen as intrinsically important. In general terms, responsibility is seen to matter either by reference to notions of individual desert, by distinguishing option luck from brute luck – where people are held responsible for the former but not the latter – or by holding people responsible for their own informed and voluntary

⁴² For a coherent presentation of a conception of equal opportunity that ascribe to this position, see Vallentyne (2002). For a brief review of why libertarian conceptions of justice does *not* justify Van Parijs' basic income proposal, inter alia because it distributes equally to everyone – including those who do not have a legitimate claim to a basic income on most libertarian accounts, see also Vallentyne (2011).

choices.⁴³ The most central luck egalitarian principle is thus well captured in one of Arneson's (1989, p. 85) initial formulations of the position: "[...] Other things equal, it is bad if some people are worse off than others through no voluntary choice or fault of their own."

Van Parijs (1991, 1995) can be placed within the luck egalitarian framework in so far as he applies both principles of equality and principles of responsibility. But no regard for moral considerations of responsibility is included in the leximin principle. As applied, it is simply a principle that tells us how to prioritise between different distributive situations so that those at the bottom get as much as is possible. This entails that leximin opportunity, if not further qualified, is in the particular respect of placing responsibility fully consistent with distributions that emphasize outcome equality and equality of, or equal opportunity for, welfare, all of which are conceptions Van Parijs (1995) is unwilling to accept because he thinks they inescapably invoke the problem of expensive tastes. He therefore claims that as long as it is (remotely) possible for people to adapt their preferences, it is morally salient from the real-libertarian point of view to hold people fully responsible for these preferences. He does this without making any distinction between preferences that people can be held responsible for because they are voluntarily chosen after informed and conscious deliberation, and preferences that they cannot be held responsible for because they are, e.g., a factual or causal consequence of unchosen dispositions. In Van Parijs' view, as long as people have the slightest possibility to adapt them, preferences are preferences.

This possibility to adapt is given by the existence of potential envy-freeness, so as long as potential envy-freeness obtains by the criterion of undominated diversity being satisfied, it is reasonable and morally justified to hold people fully responsible for their preferences. As we shall see in the next section, he then further assumes, rather than argue for, that the no envy test – the parameters of which is essentially given by the aggregate of people's subjective preferences – can be properly applied in an objective way. With this assumption as a backdrop, he claims that equality of opportunity should be properly

⁴³ There are many nuances within the luck egalitarian framework, and there is certainly significant room for disagreement on central parts of this conception of distributive justice, especially in its most general form. Numerous different concepts of luck have been proposed, and there are many different convictions and still ongoing debates about these concepts' plausibility, and further about how to apply them in morally justified ways. The short description I give here is thus a very rough and general one that does not properly represent the multitude of positions that can be termed "luck egalitarian". However, as it is not of great importance to the question at hand in this thesis, I will not delve into mentioned debates. But for a thorough overview and examination of these debates, and explanations of, as well as answers to, objections against luck egalitarianism in general, see e.g. *Luck Egalitarianism* by Kasper Lippert-Rasmussen (2015).

understood as a situation where one can objectively say that no-one envies anyone else's opportunity to do whatever they might want to do, where an individual's opportunities are effectively represented by the value of her resources-bundle in terms of opportunity-costs, i.e. the basic income.

To illustrate this point, and some of its consequences, I will shortly turn to an example presented by Vallentyne (1997) that shed light on some problems with Van Parijs' modified envy-test in relation to both the criterion of undominated diversity as well as the external resource argument. But, before we turn to Vallentyne's (1997) example, it will also be instructive to introduce an example put forth by Williams (2003) that shed light on a problematic horizontal form of inequality that is accepted by the criterion of undominated diversity, and that also illuminates in what respect Van Parijs' (1995) take on individual responsibility can be regarded as unreasonable.

5.3 Internal difficulties with Van Parijs' modified application of the no-envy test

The use of the no-envy test within political theories of distributive justice was introduced by Dworkin (1981b) in his resource egalitarian account of what a just distribution should look like. Dworkin's conception of what constitutes just equality is luck egalitarian in the sense that it puts emphasis on the moral importance of both equality and responsibility. It is resource egalitarian in the sense that it claims that a just distribution is one that distributes resources. Dworkin's account is thus one that tries to show that resources is the proper currency of equality, and that justice demands that inequalities stemming from brute luck should be countered, while inequalities in option luck should not.

Dworkin holds that the proper measure for equality is given by envy. A distribution is thus unequal in a morally relevant way if someone envies someone else's bundle of resources. But identifying the situation that is equal in this sense, cannot simply be done by endowing everyone with identical baskets of resources. This is because the parameters of the no-envy test are given by the involved individuals' personal and subjective preferences. On Dworkin's (1981b) account and theoretical application of the no-envy test, both the measure of equality and the arguably just end-result is given by the aggregate of the involved individuals'

subjective preferences/ambitions. On Van Parijs' (1995) account of the external resource argument, the no-envy test is applied in a significantly different way. On both accounts equality of internal endowments is assumed. Following Dworkin (1981b), Van Parijs (1995) believe that a baseline situation of just equality is one where the value of each individual's resource bundle in terms of opportunity-costs is equalized. Also, similar to Dworkin's hypothetical auction where the value (price) of each resource is given by the aggregate of the bidders' subjective preferences for the different resources for sale, Van Parijs' (1995) conception of value is given by how much everyone else wants the resources that people are respectively endowed with. Or, more formally, it is given by the equilibrium price in terms of opportunity-costs that would obtain within a perfectly functioning free market consisting of perfectly informed and atomistic rational choosers, i.e. people how act in perfect accordance with their preferences.

So, if everyone is endowed with resource baskets that are of equal value in terms of opportunity-costs, there is equality in the sense emphasized by real-libertarianism. This is, as we have seen, equality of opportunity in the sense that no-one envies anyone else's opportunities – given by people's respective resource bundles – in light of their own preferences. Equality in this sense should only be departed from when the leximin principle so demands. This is Van Parijs' theoretical case for how we should measure real freedom in terms of opportunities to do whatever one might want to do, while upholding the principle of equal respect for every individual's substantive preferences. But when he moves his argument to a lower level of abstraction by applying this theoretical framework for the measuring of real freedom, he assumes, rather than argue for, that there is a direct practical connection between the basic income (as a practical representation of equalized value) and equal opportunity to pursue one's individual preference.

This point is well illustrated by an example first formulated, to my knowledge, by Vallentyne (1997, p. 339), and I will therefore reiterate this example shortly. But first we will take a look at a different example, presented by Williams (2003, p. 131-132), that uncover one way in which real-libertarians hold individuals responsible for their unchosen preferences that is not properly justified. The relevant context for both these examples is that, Van Parijs (1995, p. 50, 71, 80-82, 93, 96) does not seem to distinguish between preferences that are affected by individual choice and that can be changed (e.g., an expensive taste for pre-phylloxera claret and polvers' eggs), and ones that are not affected by choice and that cannot

be changed (e.g. expensive welfare dispositions as a consequence of a congenial handicap, or something of the like). The existence of potential envy-freeness is said to entail that a possibility to adapt preferences is present, and no matter how small (or big) this possibility is, Van Parijs thinks individuals should be held fully responsible for choosing to adapt or not, since this is apparently seen as a real opportunity.

5.3.1 Acceptance of Horizontal Inequalities and Unreasonable Personal Responsibility

To illustrate the point that it may be considered unreasonable to claim that individuals have real opportunities to adapt by reference to this standard, Williams (2003, p. 131) tells us to consider the situation of a woman named Eva, who apparently lives in a pluralistic society, and who is infertile by no fault or choice of her own. Eva wants to have children of her own, and she therefore prefers the internal endowments of other, fertile women. Since her preferences naturally leads her to envy these other, fertile women, she submits a claim to compensation before her community. But, given the plurality of legitimate conceptions of the good within her community, there are several people that deny that she is universally dominated by fertile women. Some may genuinely think infertility represents a freedom from involuntary pregnancy, others think the good is only consistent with adopting needy children rather than to reproduce, and so on. If one of these genuine reasons for not regarding Eva as universally dominated by fertile women is generally available to her, something there is a high probability for since she is socialized in a pluralistic society, the criterion of undominated diversity will reject her claim. For the sake of the example we are to assume that this highly probable situation obtains: some of the preferences are deemed available to Eva, and she is denied compensation. She is denied compensation because the society in which she lives has, through the test represented by undominated diversity, decided that she has reasonable access to the means for adapting preferences that are more in tune with her unchosen internal endowments. She is judged as having the real opportunity to live a life in accordance with a conception of the good that is regarded as available to her.

Williams (2003, p. 132) then asks us to consider a second woman named Eve, who lives in the same society as Eva and who's internal endowments and preferences are identical to those of Eva. Eve is, then, also infertile, and also wants to give birth. Eve is, however,

different from Eva in one respect: she has been socialized into a culture where infertility is universally regarded as a personal tragedy. Because this socialization renders the abovementioned preferences for infertility unavailable to Eve, she is, as opposed to Eva, granted compensation on the criterion of undominated diversity. So, two people with identical internal endowments and identical preferences are in this case to be treated unequally in accordance with undominated diversity, because the differing upbringings they underwent made them differ in potential preferences. Williams (2003, p. 132) claim that this amounts to a weighty reason for rejecting the criterion, since it prescribes this form of “indefensible horizontal inequality” where one of two people who are identical in every way – save potential preferences – is given compensation while the other is not. I concur that we need a rigorous and hard-hitting justification for the criterion of undominated diversity if we are to be able to say that it is fair to let the individual bear the full responsibility and cost of having internal endowments that she would choose to exchange, simply because her community deems it possible for her to prefer not to exchange them. But this is something I think Williams (2003) has already successfully shown, and we need not be satisfied with simply reiterating his conclusions.

However, I also agree with Williams (2003, p. 131) that it is odd to claim, as Van Parijs (1995) does, that when internal endowments are equal, the collective society is responsible for achieving (more) equality by distributing a basic income. But when internal endowments are unequal, individuals may very well end up with the full responsibility of changing their ambitions so that they fit better with their circumstances. With this as a background, and for the sake of the argument that this thesis develops, I would primarily like to emphasize that if, by some measure that is arguably underspecified by Van Parijs (1995, ch. 3), the society you live in deems a genuine preference-schedule to be generally available to you, real-libertarians would say that you have the real opportunity to adapt this preference-schedule, i.e. that you have the actual means (of whatever kind, internal or external) to adapt it as your own. The main reason why this way of holding individuals responsible for their preferences and dispositions should be viewed as unreasonable within the real-libertarian framework, I contend, is that while the collective is held responsible for supplying the basic income to everyone, the collective has no responsibility to better the position of those who are relatively disadvantaged when undominated diversity obtains (and there is a high probability that it will in a number of problematic ways exactly because of the plurality of values in society). If the main concern of social justice is to enhance the real freedom of the least free as

much as possible, real-libertarians should surely try to find a criterion that better support claims for compensation to the disadvantaged than undominated diversity, while at the same time being in accordance with the neutrality postulate.

5.3.2 Unjustified (Re)Distribution of the Basic Income

Even though the rational for undominated diversity might seem somewhat morally odd, and even though it might go against some readers' moral intuitions, as it certainly does with mine, Van Parijs' application of his modified no-envy test is, so far, fully consistent with the test's moral purpose, viz. to identify a desired situation with no (potential) envy. But, if there is no universal dominance in comprehensive endowments, which is, as we have seen, a very strict condition for identifying a situation as unjust with regard to inequalities in internal endowments because everyone has to agree for someone to be universally dominated, they are said to be distributed equally in the morally relevant sense. If comprehensive endowments are regarded as equal, people are, as far as justice is concerned, regarded as commanding the same capacity to turn resources into opportunities, and the external resource argument therefore comes into play.

This is the point at which Vallentyne's (1997, p. 339) example becomes relevant. If we now consider a society consisting of two people, one of whom is internally endowed with a great singing voice but little money, and one of whom has a bad singing voice but is endowed with a relatively large amount of money. Both prefer their own comprehensive endowments, so that none of these two envy the other. Since there is no envy, there is no potential envy, and undominated diversity obtains. No compensation is therefore justified by an initial situation of universal dominance.

But, Van Parijs' external resource argument would still demand redistribution from the one with the most money to the one with the least. This is so because, when undominated diversity obtains, people are regarded as equally capable to turn resources into opportunities and as responsible for their preferences. On this background, the external resource argument requires that the value of resources – which in this exemplified case, and in the practical case of the basic income, is given by money – is equalized. Thus, even though there is no envy

involved, Van Parijs would claim that the real-libertarian concern with an envy-free distribution of opportunities demands that the money in the example should be equalized.

On this background of equality of resources, the leximin principle should be applied to always prioritize the condition of those with least opportunities. But, since there is no envy, Van Parijs gives us no further way of telling which one of the individuals in this example is the one with the least opportunity to do whatever she might want to do, neither before nor after the equalization of money. It seems as though Van Parijs, in his alternative application of the no-envy test, has created an objectivized construal of a test that is particularly constructed to take account of, and distribute in reasonable accordance with, subjective preferences. His high regard for the principle of equal respect, materialized through a strict adherence to the liberal neutrality postulate, seems to be abandoned here in the sense that none of the involved individuals' preferences are taken into account when redistribution is decided to be morally justified. Granted, there is one form of perfect equality involved in the example: none of the involved individuals' preferences are shown any respect. Hence, they are shown *equal* respect. But what is the point of the principle of equal respect if nobody's views are taken into consideration? I think the most plausible position to hold is that the principle's function is rendered useless in this case. This is because if there is *nothing* to be distributed, there is generally no effective reason for striving to act in accordance with moral principles that tell us to distribute in one way or the other. Additionally, since Van Parijs (1995, p. 28) would never allow levelling down for the sake of equality, he should be more satisfied with a situation where at least someone's views are taken into consideration as opposed to a situation where no-one's views are given any attention.

So, it seems that Van Parijs' (1995) external resource argument for a basic income is not consistent with a proper application of the no-envy test, and neither with a plausible application of the principle of equal respect for people's substantive conceptions of the good life. Thus, the only one of Van Parijs' conditions for redistribution that properly apply the no-envy test, and that strictly adhere to the neutrality postulate, is undominated diversity. But, in the case of undominated diversity, the argument can be made that Van Parijs' adherence to the neutrality postulate is implausibly strict, as it is what leads him to claim that individual responsibility for all preferences, both chosen and unchosen, is justified in so far as potential envy-freeness obtains.

“So what?” one might ask. For what Van Parijs (1995) is trying to do is to alleviate unjust inequalities by securing that everyone has the greatest possible opportunity to do whatever they might want to do. In our capitalistic societies, so much of the total wealth we in sum are endowed with disproportionately befall people who have a no more legitimate claim based in a plausible conception of justice to those resources than anyone else. The form of redistribution that real-libertarianism prescribes in our example would thus, ipso facto, lead to a more just distribution. In such a real and pressing context of unjust social and economic inequalities, why should we care that the redistribution an implementation of a per capita basic income would represent is not demanded by a prior condition of envy?

One answer is that in practical terms this could be regarded as merely a minor negative side of a theoretical approach to securing a specific conception of justice. A negative side that may be disregarded in light of the much weightier positive aspects of the approach. But, when we are trying to develop and evaluate the consistency and cogency of normative arguments, the smoothness of an arguments movement from one level of abstraction to another becomes important, and sometimes vital, to the entirety of the problem or argument at hand. So, in the case of promoting real freedom through basic income, a fundamental problem, first hinted at by Arneson (1992), still remains: if we do not have a properly functioning metric with which to measure what justice demands we should distribute in a certain way, giving people the right to a basic income on the grounds of the external resource argument could in theory, though likely not in practice, be regarded as a distribution that is morally arbitrary. In a worst case scenario, it could potentially end up being just as arbitrary as letting free-market capitalism with a strong protection of conventional property rights run its course, which, of course, has led to the increasingly unequal distributions that Van Parijs initially set out to counter.

The central conclusion to be drawn in this context is that, on a theoretical level, Van Parijs has not successfully shown that the basic income will counter the relevant inequalities in opportunities he himself regard as unjust. To get his project of distributing real freedom off the ground, and to make it applicable in the real world, we need to find a metric that better connects his conception of real freedom with the effective implementation of a basic income. Finding a way of consistently measuring and comparing the freedom enjoyed by different individuals, and further, determining the level and distribution of freedom that obtains within different socio-economic contexts, seems to be an immensely difficult task. But, if real-libertarians want to keep their commitment to a conception of social justice that says real

freedom should be distributed in leximin fashion, and if they still want to make this conception effectively applicable in pluralistic societies, as Van Parijs certainly still does (Van Parijs 2017; Van Parijs and Vanderborght 2017), this is, as far as I can see, a fundamental task that they will need to revisit and overcome.

If this difficulty of measuring real freedom as Van Parijs conceives it is not solved, this represents a major problem for his theoretical normative argument. For if the metric of envy he applies to distributions of opportunities is not able to establish a consistent connection between equalized value in opportunity-costs and a basic income, it is no longer tenable to claim that justice as leximin real freedom *exclusively* demands the implementation of the highest sustainable basic income. It might as well demand something else, say, a lump sum social stake financed by a gift and inheritance tax, a guaranteed income that is conditioned on a willingness to work, or some form of a participation income. This is a line of reasoning I think it is worthwhile to entertain, as it, if correctly qualified, leads us toward another central and weighty objection to the real-libertarian basic income that is rooted in an ethic of solidarity and fair reciprocity. It has been pressed by, among others, Williams (2003) and White (1996; 2003; 2006), and it revitalises Jon Elster's (1986) initial formulation of the exploitation objection, which maintain that if our common wealth is a product of social cooperation, it is unjust and unfair to let able-bodied individuals live off the products of their fellow citizens' labour.

5.4 Reciprocity and Restrictions on the Basic Income

By now we have clearly established that the only consistent moral argument Van Parijs (1995) provide for the value equalization that the implementation of a basic income appeals to the no-envy test. Van Parijs claim that if value in terms of opportunities is equalized, envy is eliminated. Since a basic income is held to be the effective representation of such value equalization, a concern with leximinning people's real freedom is thus said to be best satisfied by leximinning the basic income itself.

But, as I have argued in accordance with Arneson (1992), this connection between leximin real freedom and leximin basic income is asserted rather than properly argued for

within Van Parijs normative framework.⁴⁴ As our review of Van Parijs' (1995) real-libertarian theory and argument show, he gives us no further reason why justice should demand more than the elimination of envy. Thus, where the no-envy test can be satisfied without equalizing value, the real-libertarian conception of justice gives us no moral reason to do so. However, as we have seen, this is exactly what Van Parijs' exclusive concern with implementing a basic income does in practice.

Vallentyne (1997) and Cappelen and Pedersen (2015) have, after similar considerations, concluded that Van Parijs (1995) has not provided reasons founded in a plausible conception of justice to tax and redistribute transferrable wealth, including both gifts, bequests and employment-rents. My own effective objection to Van Parijs (1995) is, however, significantly narrower. I do not believe that either Vallentyne (1997) nor Cappelen and Pedersen (2015) have convincingly shown that a stronger conception of self-ownership than the one held by real-libertarians, which would include more extensive property rights in the sense that it claims people should be allowed to allocate their wealth more freely and in the sense that individuals are entitled to the advantages of their good brute luck, is a more plausible one. Regardless of the difficulties involved in measuring freedom, and regardless of whether or not equalization of value is what justice as *leximin* real freedom demands, I am still inclined to think that the effective distribution of the social product, produced through social cooperation, should be organized so that it benefits all more or less equally. Under current, and also under a range of hypothetical, conditions, I have a hard time seeing how a pressing of the importance of formal property rights will further the worthy cause of distributing resource-based opportunities more equally. After all, our current discussion of what social justice requires starts from the factual premise that it is the unequal distribution of private property that hinder the materially deprived from utilizing the opportunities that are formally open to them (cf. Van Parijs 1995, §1.7).

Hence – with reference to the discussion in section 5.2.1 – I see no reason to claim that Van Parijs (1995) is not successful in showing that real-libertarian justice demands that the value of gifts and bequests should be taxed and redistributed as a basic income. And even

⁴⁴ I believe that my argument is in accordance with Arneson's (1992) initial critique of Van Parijs' (1991) real-libertarianism, even though Arneson's critique is significantly different in formulation and in the arguments that are given particular emphasis. Van Parijs (1995, p. 54-55, n. 46 & 47 p. 250-251) explicitly tries to counter, or at least soften, this critique, which is focused around the view that the uncertainties related to an implementation of a basic income will make it difficult to establish that it will yield more real freedom. As will be argued, I do not believe he has been successful in doing so.

though I do not share the moral conviction that social justice is solely a matter of leximinning the opportunity to do whatever one might want to do from a starting-point of envy-freeness, I agree that the value of all resources that are now distributed in a morally arbitrary or otherwise objectionable way, should be distributed along lines that would roughly give some form of equal opportunity or advantage to all of society's members. But this should not be done without some additional concern for a plausible conception of responsibility, either individual or collective.

And it is precisely Van Parijs' (1990; 1995) approach to responsibility that I would like to argue against, because I believe it puts an unreasonably and profoundly unjust burden on those who have not willingly chosen their expensive welfare dispositions (e.g. the handicapped and those who are socially neglected or excluded in their personal relations). This is because when undominated diversity obtains, as it is reasonable to believe that it most often will in our increasingly pluralistic societies where available preference schedules are increasingly numerous, these individuals, who we cannot reasonably say have chosen their preferences through conscious and informed rational considerations, will be held fully responsible for these preferences. This seems to be the morally objectionable and implausible consequence of Van Parijs' tackling of the problem of expensive tastes together with his attitude of strict adherence to the neutrality principle. In his quest for more equal opportunities for all, which he reasonably thinks consist in redistributing from those who control a disproportionate share of our common social product to those who have the least of it, it seems that Van Parijs (1995) has lost sight of the plight of those whose real opportunities to live whatever life they might want to live, is the most restricted. If expensive welfare dispositions are conceptually reduced to expensive tastes, and the outcomes of legitimate policy are restricted from favouring any one set of preferences over others, there is a high probability that some individuals are left with meager opportunities to do whatever they might want to do, by no fault or choice of their own. I also find it probable to claim that these individuals are likely to be the ones at the bottom of the opportunity distribution, i.e. the very same people that the leximin distribution of opportunities should give special priority.

A more plausible and morally salient conception of responsibility connected to real freedom of choice, would be one saying that equally able and capable persons have an equal responsibility to contribute to the social product that is the essential foundation of our shared prosperity. I contend that this conception of responsibility is fundamentally grounded in a

solidaristic principle of reciprocity. This principle says that within social communities of all shapes and sizes, people who benefit from the cooperatively produced social product, should, to the extent they have the capacity and are otherwise able, and to the extent that it does not impose unreasonable costs or burdens upon them, contribute to the value of this product in one way or another.⁴⁵ Following White (2003), I contend that an ethic of solidarity is fundamental to egalitarianism. As White (2003, p. 138) see it, both the moral responsibility to better the situation of the unfairly disadvantaged if possible, and the responsibility to make a reasonable contribution to the community in order to receive a fair share of the social product, are explicit expressions of this ethic. If one benefit from the social cooperation within the community, but does not reciprocate by honouring one's responsibilities toward others, one fails to stand in a morally valuable relationship of solidarity with others, which is also based in the principles of equal concern and equal respect (Anderson 1999; Cohen 2009, p. 39-41; White 2003, p. 138).⁴⁶ Among others, Anderson (1999) has brilliantly argued for how a plausible reading of the principles of equal concern and respect promote the moral value of standing in such reciprocal "relations of equality to others", as opposed to securing that people are endowed with what they morally deserve. This also clearly indicate how our solidaristic principle of reciprocity is an essentially egalitarian one.

⁴⁵ This composite principle of distribution aims at creating a closer connection between the notion of individual responsibility and the individual preferences and choices that people can in actuality be held reasonably responsible for. I believe it to be closely approximated to, and it is indeed inspired by, the form of equality for opportunity that G.A. Cohen has developed and defended. In one of his formulations he call it "socialist equality of opportunity". He writes:

Socialist equality of opportunity seeks to correct for all unchosen disadvantages, disadvantages, that is, for which the agent cannot herself reasonably be held responsible, whether they be disadvantages that reflect social misfortune or disadvantages that reflect natural misfortune. When socialist equality of opportunity prevails, differences of outcome reflect nothing but difference of taste and choice, not differences in natural and social capacities and powers. (Cohen 2009, p. 17-18)

In order to be in close accordance with the demands of socialist equality of opportunity, the principle of solidaristic responsibility should, as will be discussed shortly, be qualified so as to only hold people responsible for their free choices and their freely cultivated preferences while at the same upholding a reasonable reciprocal responsibility to contribute to the social product.

⁴⁶ It must be noted that neither Anderson (1999) nor Cohen (2009) use the term "solidarity". But Anderson's (1999) thorough answer to what the point of equality is, is clearly based in an ethic where the moral value of equality is described as being realized through a community where members have reciprocal moral responsibilities (or, "obligations") toward one another. Cohen's (2009) concept of communal reciprocity similarly captures actions motivated by other people's needs and wants. On this background, I think it is reasonably safe to use the word "solidarity", which I take to be properly defined as a form of unity that produces, or is produced by, a community of standards (e.g. individual and collective moral obligations toward other individuals and the collective as a whole).

This principle aims at correcting all disadvantages that people cannot reasonably be held responsible for. Ascribing to this form of reciprocal responsibility would effectively entail an exclusion from the right to a basic income for those who are not willing to fulfill their responsibility to contribute to society. But this does not necessarily exclude everyone that is not ready to perform waged labour. Conversely, a worthy contribution to society could be conceived of in such a broad way that what we end up with is practically similar, if not identical, to a basic income. Replacing Van Parijs' individual responsibility for preferences with a qualified social responsibility to contribute, could arguably also mend some of the problems uncovered in the justification of his proposal stemming from the apparent disconnect between *leximin* real freedom and *leximin* basic income.

I claimed that this disconnect does not amount to a decisive objection against Van Parijs' taxation and redistribution of gifts and bequests, i.e. external assets. But on a purely theoretical level, it does amount to a decisive objection against his inclusion of jobs, or wages, as such external assets. To illustrate this, I will once again borrow a well formulated example from Williams (2003, p. 116-117). The example is derived from Van Parijs' (1991, p. 105-108; 1995, p. 92-102) most central thought experiment, the "Crazy-Lazy challenge", and is presented within a hypothetical society populated by the two equally talented individuals Crazy and Lazy. The total range of external assets in this Crazy-Lazy society is given by the resources of land and jobs, which, in accordance with real-libertarian justice, Crazy and Lazy are equally entitled to. Here it is important to explicate that these two assets are significantly different along at least one dimension that should be morally relevant to a real-libertarian: while the very definition of a job entails the fulfillment of certain duties, this is not entailed by the definition of land (Williams 2003, p. 116). Van Parijs (1995, p. 90) seems to be of the same opinion on this matter as he regards jobs to be "packages of tasks and benefits", while nothing similar is said about land (or other resources).⁴⁷ The central difference between Crazy and Lazy, is that their utility functions are basically diametrically opposed to one another. While Crazy has a strong preference for labour and income, Lazy has a strong preference for leisure and a more modest preference for income. When it comes to the holding of job assets,

⁴⁷ Van Parijs (1995, p. 101-102) does however mention that the reason for not taxing gifts and bequests, as well as incomes, at a 100% level, is to supply people endowed with these assets with incentives to take better care of them. This take on incentives to sustain the value of assets might indicate that some form of effort is involved in owning assets. But this is never claimed or argued for from the real-libertarian perspective. In accordance with the Laffer Curve, a somewhat lower tax rate is rather assumed to create proper incentives to increase and sustain the level of the basic income. The notion that owning assets require effort in a similar way as performing labour, can therefore safely be disregarded as an argument in this context.

therefore, Crazy prefers to work hard on the tasks involved in order to reap the corresponding benefits, while Lazy is so repugnant with regard to the tasks involved in holding job assets that she chooses to live solely of the benefits she derives from her share of land.

It is obvious that in this situation, both Crazy and Lazy would prefer their respective situations over the other's. So, the situation is clearly not embossed by any envy, and the real-libertarian metric for opportunity would thus measure this situation as consistent with just equality. As a matter of fact, the real-libertarian external resource argument does therefore not prescribe any redistribution in this hypothetical situation. The unconditionality, and consequentially the universality, of the basic income scheme thus seem to be given no support on this score by the real-libertarian position.

However, as already mentioned, this does not constitute a decisive objection to the entirety of the external resource argument, but it does constitute a decisive theoretical objection to the taxation of some incomes at a yield maximizing level.⁴⁸ Note that I am restricting my objection to *some* incomes. This is because, if the wage payed out for a job is disproportionately large in comparison to the social contribution it represents, it can be legitimately taxed on this account. Conversely, if the wage payed out for a job is disproportionately small in comparison to social contribution, this should be compensated for. But the compensation should in this latter case not come in the form of an income payed out by the political community, but rather as a formal guarantee from the political community that we will not accept the existence of jobs that do not pay a proper wage, or that otherwise do not conform to some reasonable standard of employment and working conditions. If Van Parijs wants to stick to some alternative application of the no-envy test, it should include these considerations, as well as considerations that take into account personal costs involved in performing different job-specific duties.

To solve this problem with the external resource argument, Van Parijs could stick to his yield maximizing taxation of wages, and rather restrict the receipt of the state funded income to the involuntary unemployed. But this would of course entail a full rejection of his own proposed basic income scheme. Alternatively, he could restrict taxation only to those wages that are disproportionately large in the abovementioned way, and maintain his

⁴⁸ Recall that the yield maximizing level of taxation can, by reference to our discussion of the Laffer Curve in section 3.2, be assumed to be somewhere around the 70% mark.

commitment to the implementation of a universal and unconditional basic income (Williams 2003, p. 117).

But this is not, as we have seen, the approach taken by Van Parijs (1995). Rather, he argues that “[..] as long as one wishes to stick to the liberal ban on discrimination between conceptions of the good life, [..] adopting a policy that focuses on the involuntarily unemployed amounts to awarding a privilege to people with an expensive taste for a scarce asset [the job asset].” (Van Parijs 1995, p. 109). Conditionality is thus argued to be illiberal and discriminatory by not respecting the neutrality principle. Obviously, forming public policy on the grounds of discriminatory considerations is not a legitimate course of democratic political action. But, as both Crazy and Lazy’s preferences are shown equal respect, one cannot claim that there exists any illiberal discrimination in this hypothetical situation, and Van Parijs’ (1995, p. 109) “neutrality criticism” does therefore not apply. However, I would like to note that redistribution through a real-libertarian basic income in the given scenario could be regarded as illegitimate politics by reference to this standard, since it would amount to a blatant disregard for both Crazy and Lazy’s respective preferences.

As an alternative to this neutrality criticism, that apparently only bites its own tail, Van Parijs could rightly stress that it is not an equal amount of resources per se that real-libertarians claim that everyone is entitled to, but that it is rather the *value* of these resources that should be distributed in accordance with the external resource argument. After all, it is the per capita *value* of external resources, including job assets, that is to be distributed through the basic income scheme. But, as we have also seen, the only normative argument that Van Parijs (1995) puts forth is one that says value should be equalized so as to eliminate envy. But, then again, no envy is present in the discussed example, and the normative theoretical claim that real-libertarian justice exclusively demands the highest sustainable universal and unconditional basic income on this ground is therefore not mandated.

5.4.1 The Exploitation Objection Grounded in the Reciprocity Principle

In section 4.6, we saw that Van Parijs (1995, ch. 5) reject both the Lutheran, the Lockean and the strong entitlement conception of exploitation, and that the weak entitlement principle was

not strong enough to represent a weighty exploitation objection to the implementation of a basic income. The three former conceptions of exploitation were all rejected on the grounds that they all amounted to some brute luck advantage for those who, by no morally relevant choice of their own, were better suited in one way or another to create products of value. This is seen as intrinsically unfair from the real-libertarian standpoint in the sense that it is unreasonable to claim that, simply because someone is relatively well off in terms of internal endowments as a matter of good brute luck, they should also be endowed with a larger part of the social product just because they have been able to appropriate it in one way or another. This position seems to be entirely plausible, and, as far as I can see, is also justified with reference to the principles of equal concern and respect.

But, if we ground the exploitation objection toward the basic income scheme in the solidaristic reciprocity principle stated above – that is sensitive to, and that thus try to correct to the extent possible, *all* unchosen disadvantages, both innate characteristics and unchosen social circumstances – the objection cannot be criticized from a real-libertarian standpoint for inducing unjust brute luck advantages or disadvantages. It thus seems that in accordance with this essentially egalitarian principle, it can still be plausibly argued that it is unfair and unjust for able-bodied people to live off the product of their fellow citizens' work. Consequently, organizing our societies in ways that effectively entitle these fully able people – who are capable of contributing to the social product without suffering unreasonable costs or burdens – to an equal value of external resources regardless of their willingness to contribute, conveys no contributive responsibility on these individuals even if they freely choose not to contribute, and is therefore unjust and unfair. This is exactly how Van Parijs' basic income proposal would work, and it is thus potentially exploitative in a morally objectionable way by letting people take unfair advantage of someone else's labour.⁴⁹ And, further, in order to secure that too many external resources are not "wasted" on those with relatively expensive welfare dispositions as a consequence of poor internal endowments, regardless of if these are chosen or unchosen, Van Parijs suggest that we should hold these people, in so far as they are not regarded as universally dominated, responsible for these dispositions and all the consequences that flow from them. This point also entail, as was mentioned at the end of section 5.3.1, that the leximin principle, if not restricted by Van Parijs' implausibly strict application of the

⁴⁹ Recall here that Van Parijs' (1995, p. 145) himself claim that a suitable definition of exploitation must specify when taking advantage of someone else's work should be properly understood as unfair in order to spell out exactly what it is that is morally objectionable about the exploitative situation.

neutrality postulate to handle the problem of expensive tastes, would in many cases probably demand compensation to these individuals.

White (2003) suggest that the basic income can in this sense be seen as exploitative in in morally objectionable ways. The reason these ways of taking advantage of someone else's work are seen as morally objectionable, is that they are in direct violation of an essentially solidaristic norm that he terms the norm of weak mutual advantage. The norm of weak mutual advantage holds that anyone who willingly takes a share in the economic benefits of social cooperation must reciprocate this claim on the social product by contributing to it with a reasonable amount of effort in order to ensure that everyone included in this social cooperation also benefit from, and are not unreasonably burdened by, one's own membership (White 2003, p. 139). What a reasonable amount of effort is depends on how large one's claim on the social product is, and on one's relative capacity to reciprocate this claim. It is also conditioned so that no one should suffer unreasonable costs or burdens as a direct consequence of their social contribution, e.g. by being tormented in some way by performing work. The norm of weak mutual advantage is, as far as I can see, in perfectly accordance with out solidaritic principle of reciprocity, and the criteria that are included in this norm should thus also further qualify the application of the principle. I would also claim that that this norm should ideally qualify Van Parijs' conception of common ownership to the social product in order to properly distinguish between fundamentally different claims on it. Someone with innate or otherwise unchosen characteristics that yield expensive welfare dispositions and a low level of productivity, could then be viewed as a qualified net beneficiary with a legitimate claim to a portion of the social product that would enhance her opportunities to a level roughly in accordance with the principle of *leximin* opportunity. But someone who is above average in the real opportunities she enjoys, (at least in part) as a result of being endowed with a basic income and in-kind provision of various welfare services, would still have a reasonable responsibility to contribute to the social product that sustain these programs in so far as it does not impose unreasonable personal costs or burdens on her.

A way of violating the norm of weak mutual advantage, and that would thus be morally objectionable by reference to this standard, is to willingly free-ride on other's contribution. Van Parijs (1991; 1995; 2003; 2017) argue that the basic income should be seen as a fundamental social and economic right. A form of economic free-riding that would be facilitated by the basic income, and that the real-libertarian argument for said income tires to

justify, would be to fully benefit off this right while at the same time willingly refrain from contributing to everyone's, including one's own, enjoyment of it. If a member of society accepts that the basic income is a right of this membership, as real-libertarians do, one cannot consistently accept the receipt of the income without accepting the correlative responsibility to contribute to its sustainability (White 2003, p. 140).

The simple relevant fact here is that in order for the basic income to become a reality that effectively benefits everyone, someone has to work. There is, in other words, no *collective* real freedom from work. Receiving the basic income without contributing to it, which is viewed as perfectly justified by real-libertarians, would thus amount to simultaneously regarding the work-unconditional basic income as a privilege for those who choose not to work and as a universal right of social membership in society. This is, of course, an obviously inconsistent position to hold: one cannot claim that something is a privilege and a right at the same time, as these are by definition opposed concepts.⁵⁰ It thus seems that for real-libertarians to be able to consistently hold on to their most deep-seeded normative conviction that a basic income should be a universal right of social membership, some contributive condition will have to be introduced into the scheme. Alternatively, and this is, I believe, the real-libertarian answer to this objection, they can claim that no responsibility to contribute can be included into a conception of justice that respects the liberal neutrality postulate, because organizing society in accordance with such a responsibility would discriminate against certain conceptions of the good. However, I think we have by now convincingly shown that Van Parijs has not provided any consistent and satisfactory justification for why this answer should be regarded as plausible.

Some might want to object, once again, that Van Parijs wants to implement a basic income on the factual background that capitalism as a socio-economic regime creates and sustains enormous inequalities that are unjust and unfair in the sense of being unreasonable.

⁵⁰ A right is something to which one has a just claim or entitlement. When we talk about a right of membership or citizenship within the liberal political tradition, we are talking about something one has a just claim or entitlement to in force of being a member or citizen. A privilege, on the other hand, is, within a group of members/citizens, something to which only some of these members are granted access as a special favour. Near antonyms to the word privilege used as a noun, is responsibility, duty, and obligation. Now, it is true that moral arguments should not be reduced to sheer semantics and play on words, as these arguments, at least within the practical philosophical field of normative political theory, are meant to have bearing on how we view and organize our institutions and societies. But this particular argument, that real-libertarians cannot consistently claim that a basic income effectively amounts to an equal right for all, is a very real argument stemming from the fact that there is no collective freedom from productive work, at least not if we are to sustain the very same basic income.

These inequalities can be seen as unreasonable because they amount to a degree of human suffering and social ills that can be realistically and effectively avoided if we organize our societies differently. A real-libertarian basic income would on this background, if implemented, no doubt lead to a greater balance of fairness. At the same time, it would show respect for the view, which a significant number of people hold, that our democratic societies should predominantly be organized around principles that give people individual rights to decide over their own lives and their private property, and that the only proper way of securing that these principles are followed is to facilitate so-called “voluntary exchange” through free markets.

That the implementation of a basic income in a society organized in accordance with laissez-fair capitalism would lead to a greater balance of fairness in the direction of justice, I believe is incontestably true. It may very well also be the case that a basic income will do a better job treating people with equal concern and respect than intrusive and/or restrictive welfare programs. But to claim that we should offer to trade our considerations and moral intuitions for the really needy, those who by no choice or fault of their own are given a lesser opportunity to live whatever life they value, in order to show respect for, and thus not discriminate against, the subjective and cultivated beliefs and preferences of those who’s conception of the good implies a freedom from contributive effort, is morally questionable to say the least. This is by no means the consequence of a plausible reading and adherence to the neutrality postulate. For if the neutrality postulate is grounded in the principle of *equal* respect, it cannot be properly honoured if people are not first placed on a somewhat equal footing within the social community we try to organize in one way or another.⁵¹

I do not believe Van Parijs would reject that such a community, where people should be granted rights of membership, is an integral and important part of social existence, as he regularly uses the term in this sense himself.⁵² But I have argued that Van Parijs’ (1995) real-libertarian justification for a basic income does not, for a number of reasons stemming from problems with measuring real freedom, successfully show that his proposed scheme would

⁵¹ Additionally, if it is plausible to say that making the receipt of a basic income conditional on some form of social contribution is discriminatory toward those who prefer not to contribute, it is just as plausible to say that an unconditional basic income is discriminatory against those who’s utility functions yield preference for work and high incomes, because of the tax implications the scheme involves (Cohen 2006, p. 2-3).

⁵² See e.g. Van Parijs (1995, ch. 3). Throughout this chapter dedicated to a discussion of undominated diversity, he consistently uses the existence of a social community as the essential background for arguing that the condition of undominated diversity will not be too forgiving of inequalities stemming from unchosen disadvantages in internal endowments. See also Van Parijs (1995, p. 51, 182; 2003, p. 207-209).

provide such a desired condition of equality – one that would equip people with a more equal capacity to turn the basic income into effective opportunities. His external resource argument has therefore never left the ground, and consequentially he cannot convincingly claim that his basic income proposal will remedy a number of inequalities that should be seen as unjust from the real-libertarian perspective, e.g. the significant disadvantage in terms of opportunities experienced by those with poor internal endowments under conditions of potential envy-freeness. For, surely, ascribing to a more solidaristic and reciprocal principle of equality of opportunity would yield situations that the least advantaged in the real-libertarian basic income society could point to as egalitarian improvements that would enhance their real opportunities without dragging anyone else below their own current level.

Granted, when we abstract from differences in internal endowments, everyone in the real-libertarian basic income society do in theory have an *equal choice* of whether or not to work. But, it is the possibility for making these individual choices that justice require us to leximin, so that people have the opportunity to take as many free choices as possible. And, if these opportunities are (at least in part) given by the material means that are at the disposal of every individual, as they sensibly are described to be within the concept of real freedom, it becomes a necessary condition for the enhancement of real freedom to secure, and maybe also increase, the level of available material means. To fulfill this necessary condition for real freedom, someone will have to perform work in one way or another. Even though it is perfectly plausible to apply a broader definition of work than the one that is confined to activities that are seen as valuable, and that therefore are payed for, on the free market, work will most likely still involve some form of labour, or “tasks”. To reiterate: there is no *collective freedom* from work. This seems to be the simple fact that, in part, has led Cohen (1993, p. 11) to claim that “The principle of equality says that the amount of amenity and burden in one person’s life should be roughly comparable to that in any other’s.” This formulation of the general principle of equality shows us how a just distribution of “tasks and benefits”, to use Van Parijs’ terms, is not just a question of how to distribute resources to enable individual economic choices, but also involve a question of how to distribute the “tasks” that are involved in creating and sustaining the resources that are to be distributed. To put it bluntly: if those who contribute productively stopped doing so, everyone’s real freedom would be diminished, and no-one would any longer be able to choose to do whatever they might want to do while knowing that they still have the economic security of an unconditional income-stream. The sustainability of the basic income is, and will as far as I can see always

be conditioned on some form of human labour being performed. If the distribution of a basic income is a matter of justice, the distribution of the labour necessary for its sustainability should also be a matter of justice, and should thus not be left to the morally arbitrary functioning of a free market where the sole purpose of political regulation is to counter market imperfections.

Of course, Van Parijs does not deny the need for productive effort to sustain the basic income, but argue that the basic income should be maximized through a supply of economic incentives. Thus, he might here object that those who choose to work do so because they prefer to, and those who choose not to work similarly do so because they do not want to. In this way, the choice of whether or not to work simply reflects differing preference schedules, and the opportunity to choose is thus effectively equal in the morally relevant sense. But this objection only holds under the strong and unrealistic assumption that internal endowments are equal. For, recall, when this assumption is lifted, real-libertarianism demands that the tax rate is set well below 100% in order to supply incentives that would maximize the yield of the basic income. This will induce differences in the accumulation of wealth through inheritance and so forth (cf. Van Parijs 1995, p. 101-102). Hence, among people with identical preferences for income-leisure combinations, some will have to work to satisfy their preferences and some will not. The fact that internal endowments differ – which undominated diversity can hardly be said to make up for – can plausibly be expected to have a further unequalizing effect as it indicates that people’s capacity to realize opportunities is not equal. Within such an effectively unequal distribution of opportunities, the differences in real freedom between people cannot plausibly be reduced to differences of choice as a direct reflection of different preference schedules. Thus, Van Parijs commitment to remedy inequalities that cannot be directly ascribe to real and equal choices and to preferences people can reasonably be held responsible for, still does not seem to be particularly prominent in the justifications he provides for his own proposed basic income scheme.

5.4.2 Implausible Reduction of Social Justice, and How to Make Egalitarian Proposals Democratically Viable

By claiming that there is no reciprocal moral responsibility between members of society to sustain our common basic income entitlement, and that the just state of affairs it represents

should rather be sustained by creating “proper individual incentives”, real-libertarianism intermittently seems to reduce questions of social justice to questions of distributing rights in terms of outcomes. This becomes evident when Van Parijs (1995, p. 127) in all seriousness considers that if there are less unmarried males than unmarried females, males should be properly regarded as an asset in scarce supply, and all females should accordingly be given an equally valuable and tradable right to a share of eligible bachelors, so that those who do not find a partner can be compensated for not succeeding to realize their equal right to marry. The only reason this logic should not be carried out in practice, is according to Van Parijs (1995, p. 130) that the scarcity rent from partnerships is not likely to be sizeable enough to be worth chasing. If social relations are reduced to mere distributive considerations in this way, and there is no obligation to contribute to the products of these relations, there is no reason to talk about “social” justice or “community”, for we are clearly not concerned for anything more than every person’s individual and atomistic existence in a material world that represents either an obstacle or a catalyst to do whatever one might want to do.

If we ascribe intrinsic moral value to the solidaristic principle of reciprocity, or other principles of equal opportunity that amount to regarding social relations of community as valuable beyond the individual ambitions they help realize, holding such a purely distributive view of human relations in general must be regarded as insufficient and inadequate. This illustrates how reciprocity and appurtenant responsibility can be viewed as morally important in non-instrumental ways. But, as White (2003, p. 141-142) is more concerned with, we can also refer to recent findings from attitude surveys and other work within the political economy of redistribution and the welfare state indicating that there are strong instrumental reasons to include these kinds of reciprocal principles in public conceptions of justice. He refers to Bowles and Gintis (1999), who, through an analysis of a range of experimental findings, conclude that the standard economic model of humans as “homo economicus”, conforming to the view of individuals as self-interested and rational utility maximizers without regard for norms of fairness, are not supported by their findings. People are rather found to conform to an alternative model that they term “homo reciprocans”, where people are described as trying to satisfy their self-interests in rational ways, but where it is emphasized that they are also “[...] conditional cooperators, willing to do their bit in cooperative ventures to which they belong so long as they can be assured that others will also make a reasonable contribution” (White 2003, p. 141). Bowles and Gintis (1999) therefore argue that popular resistance to the welfare state in the U.S. does not come from a rejection of egalitarian principles and

distributions as such, but that most people ascribe to a norm of “strong reciprocity” that make them highly inclined to oppose distributive schemes that let recipients evade contributive responsibilities. People are said to be so committed to this norm that they would often accept personal costs rather than see the norm violated with impunity. If a community is predominated by homo reciprocans, it is thus thought to have better conditions for solving problems of trust and collective action than if it was predominated by homo economicus (White 2003, p. 141-142).

A similar pattern is argued for in Wilkinson and Pickett’s (2010) now famous book *The Spirit Level*. As Wilkinson and Pickett (2010) show in this comparative study of the effects of inequality in modern western democracies, social conditions of inequality seems to have a tendency to erode social bonds in a way that lead to resentment across society and consequentially fractures community and social solidarity, both of which are integral parts of their concept of social trust, that in turn is seen as instrumental to the public opinion being positive toward the provision of public goods.⁵³ These factors have also been used to explain why public opinion in the U.S. often favour costly post facto welfare solutions, as opposed to more cost-effective proactive programs, such as different forms of universal benefits (Baldwin 2009, p. 227-33).

White (2003, p. 142) further refer to Rothstein (1998), who have found that within European universalistic welfare states, people, even those who are not net beneficiaries, generally support strongly egalitarian redistributive programs in so far as it is assured that those who benefit will also make a reasonable contribution to the costs of the program. Where programs are universalistic in this reciprocal way, they will be perceived as having greater legitimacy, and therefore be more resistant to politics of welfare retrenchment. This has later also been shown to be the case within Nordic welfare states, where relatively small wage differentials and generous universalistic welfare programs contributes to consolidate a perception of these programs’ legitimacy across society’s different social groups and classes, amounting to broad public support for inclusive and generous welfare policies (Barth and Moene 2010; 2016). Barth and Moene (2010; 2016) term this effect “the equality multiplier”. The underlying pattern is shown to be that small wage differentials represents a situation where people’s perceived risk of losing income is fairly equal. This leads to increased public support for universalistic welfare policies, where the median voter is typically inclined to

⁵³ See esp. ch. 2, 4, 8, and 12 in Wilkinson and Pickett (2010).

demand an active and inclusive welfare state. Hence, politicians are supplied with strong political incentives to press for policies that amount to an expansive welfare state. Large and generous welfare states supply labour and marginalized groups with significant bargaining power in the labour market, which lead back to compressed wages. This results in a form of social cohesion where equality fosters more equality: compressed wages yield public support for the welfare state, while public support for the welfare state yields compressed wages (Barth and Moene 2010, p. 81).

All of this is not to say that empirical findings about the population's moral considerations need necessarily be given consideration in formulations of what social justice consist in, although the case can be made that these considerations ought to be given attention if we are committed to the method of wide reflective equilibrium. However, in societies where reforming institutions and public policies is subject to democratic decision-making, the practical achievability of distributive proposals may very well depend on its proponent's ability to be attentive and responsive to the views of the population. Also, Van Parijs' basic income proposal does not stem from a strictly formal approach to what distributive justice is, but is rather presented as the direct and justified distributive consequence of ascribing to a broader normative political theory that equate justice with a specified conception of individual freedom. This real-libertarian conception of justice is said to give particular priority to the least free, but the two forms of distribution it prescribes is also heavily prone to exclude the very same group of individuals from both the material and social conditions of real freedom. I have argued that this potential for exclusion is grounded in an application of the liberal neutrality postulate that is not properly justified. Hence, inequalities that must be regarded as unjustified on the real-libertarian account of social justice are not effectively remedied by Van Parijs (1995) distributive proposal. In other words, Van Parijs has not supplied sufficient justification for his claim that a concern for leximin real freedom necessarily prescribes an effective implementation of undominated diversity and an unconditional basic income at the highest sustainable level.

The politics of welfare retrenchment has for some time been on the rise in Western European Countries, and the so-called "Bismarck model" is often argued to be under increasing political and economic pressure within many states (cf. Bonoli and Natali 2012). In such a context, the above discussion indicates that there are weighty reasons, both instrumental and non-instrumental, for egalitarians and others who argue for a more just

distribution to formulate and present their reform proposals in ways that is explicitly attentive to norms of reciprocity if they want to make them politically salient within democracies. This seems to be a nearly inescapable aspect of the social relations that obtain within free societies grounded in democratic politics, as our economies and other aspects of social organization are fundamentally cooperative. Anyone who is genuinely and sincerely concerned about creating and sustaining just institutions within these societies, either from a fundamentally individualistic or collectivistic position, thus need to take account of the broad moral implications of this cooperation. This indicates that one should in the very least acknowledge that practical ethics cannot plausibly be reduced to only one narrow aspect of human social life, such as economic distribution. Of course, this does not mean that theoretical normative contributions that are specifically limited to the question of what constitutes a just economic distribution should be disregarded, or that they are rendered less important in any way. To the contrary, it shows that how we distribute socially produced value is immensely important to the well-being and prospects of our societies and their inhabitants.

But, if we are to argue for one or the other distributive scheme in normative ways, we have to be attentive to the fact that the moral relevance of the principles we use to underpin our arguments for or against a certain distribution stretches way beyond the narrow confines of our specified distributive inquiries. The principles we ascribe to will thus have to be understood and applied as such, and any implementation of a certain distribution on the grounds of realizing these principles must therefore take into consideration how the principles we apply may include demands of justice that are not necessarily captured within our specified field of inquiry, but that may have tremendous consequences for what type of actions and social organization our moral considerations do in fact prescribe.

6 Concluding remarks

In this thesis, I have argued that the real-libertarian external resource argument for a basic income, as it is developed and defended in Van Parijs' book *Real Freedom For All* and a series of published articles, is not directly grounded in the principle of leximin opportunity in itself, but rather depend on the implications of the no-envy test and his application of the liberal neutrality postulate. The external resource argument operates on a level of abstraction that assumes equality of internal endowments. When internal endowments are equal, people are regarded as commanding the same capacity to turn resources into effective opportunities. On this background, the payment of a basic income to all is viewed as an equalization of value in the terms of opportunity-costs, and envy related to the real opportunities of different individuals is said to be eliminated. But this connection between envy-freeness and the basic income is assumed rather than properly argued for. As illustrated, even in situations where people genuinely prefer their own respective opportunities with reference to their personal conception of what constitutes the good, real-libertarian justice still requires that the total value of society's external resources is uniformly payed out to all.

Hence, it seems that Van Parijs' external resource argument for a basic income is not consistent with a proper application of the no-envy test, and neither with a plausible application of the principle of equal respect for people's substantive conceptions of the good life. For if it is an envy-free distribution of opportunity-sets that social justice understood as real freedom demands, no redistribution is mandated in situations where no-one envies anyone else's opportunities. This implies that the connection between justice as leximin real freedom and the effective distribution of the highest sustainable basic income is weakened. This becomes evident because where there is no envy, Van Parijs does not supply any other metric to determine and compare the opportunities open to different individuals in different situations. In order to make the distinctions that are required to identify the situation that effectively leximin's real freedom, it is necessary to have such a metric that can tell us which situation among a range of situations is the one that contain the most real freedom for the person with the least of it. For when the assumption of equality in internal endowments is lifted, it is no longer tenable to claim that the highest attainable level of basic income will properly secure that the people with the least real opportunity enjoy as much of it as possible.

This is true even if the prior criterion of undominated diversity I satisfied. For even though no-one is regarded as being universally dominated by anyone else when comparing comprehensive endowments, it is still plausible to say that there is a high probability that those who are relatively deprived in the opportunities that are effectively open to them as a direct consequence of having relatively challenging internal endowments, will still envy others. But since a potential for envy-freeness is thought to be present as long as undominated diversity obtains, Van Parijs thinks it is reasonable to hold those who are envious individually responsible for this situation. I find it morally precarious that, from a standpoint claiming to be particularly attentive to the needs of the relatively disadvantaged, no responsibility is put on the collective to help better the position of those that by no fault or choice of their own are stuck with internal endowments that they would choose to exchange if able. I have therefore argued that the criterion of undominated diversity underestimates the need to correct inequalities in internal endowments in order to enhance the real opportunities of the relatively disadvantaged. If the main concern of social justice is to enhance the real freedom of the least free as much as possible, real-libertarians should surely try to find a criterion that better support claims for compensation to the disadvantaged than undominated diversity, without discriminating between different conceptions of the good life. The conclusion I have drawn in this context is that, on a theoretical level, Van Parijs has not successfully shown that the distribution of a basic income will counter relevant inequalities in opportunities that people cannot reasonably be held individually responsible for, and that therefore should be explicitly characterized as unjust with reference to the real-libertarian conception of justice.

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⁵⁴ Many of the articles in this bibliography have been published in the scientific journal “Basic Income Studies”. Some of the issues of this journal and the articles within them do not have assigned page numbers. When this is the case, I refer to the article number of these articles. If the articles are assigned page numbers, I refer to the page numbers. This is a general rule I apply for the whole bibliography, so it might be the case that some articles that are not retrieved from “Basic Income Studies” also are referred to with article numbers and not page numbers.

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