

Socialization and Subordination under Rawlsian Socialism

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In what is a convincing and a ground-breaking contribution to the pressing debate on the institutional basis of justice in egalitarian societies, and Rawlsian scholarship as a whole, William Edmundson's *John Rawls: Reticent Socialist* aims to show that socialism is to be conceived as the best way to realize justice as fairness. According to Edmundson, Rawls "[...] was aware that his ideal theory does in fact contain sufficient resources" to resolve the comparison between alternative economic regimes, "in favor of liberal democratic socialism" (2017, 10). Against much of the recent egalitarian literature on the issue in which a 'property-owning democracy' tends to be chosen as the ideal institutional background for social justice (O'Neill and Williamson 2013; Thomas 2016), Edmundson argues that Rawlsians should actively endorse the socialization of the means of production "[...] as the sole regime type capable of realizing justice as fairness" (2017, 12), notwithstanding the fact that Rawls himself tended to be reticent in his works about such conclusions. Based on an 'immanent critique' of Rawls's reflections on the relationship between justice as fairness and socioeconomic regimes, Edmundson believes that Rawlsians should support socialism "of the traditional and familiar type" (2017, 13), a kind of regime in which "the commanding heights of the economy" (2017, 42) – i.e. the strategic areas of the economy, exclusion from which would prevent someone from being a fully productive member of society – are publicly owned by the state and from which no private rent can be extracted.¹ The book is built around a long argument supported by extensive exegetical endeavour and attempting to show why the parties behind the veil of ignorance would have grounds to opt for socialist arrangements rather than for a property-owning-like – although equally just – regime.

Edmundson tries to persuade his readers that liberal socialist societies are relatively superior to property-owning ones due to their social *stability* over the time. By stability here, Edmundson means the inherent capacity of a given social order, governed by just principles of distribution, to get overall compliance over the time without relying on political coercion (2017, 12, 116-118, 121-122, 170). Public ownership is more stable than the structural dispersion of private ownership proposed by property-owning democrats mainly because the socialization of common productive assets would insulate for all the legislative agenda from the threat of political domination by private interests. According to Edmundson, this is the only structural guarantee against the disruptive forces of private-owners' interests *even when* predistributive arrangements are in operation, that is, arrangements according to which wealth is widely spread across society in contrast with merely conventional redistributive politics.²

There is as much to be learned in Edmundson's reconstruction as there is to be agreed on the relevance of socialism for contemporary political philosophy. In order to clarify some of its arguments, though, it is helpful to distinguish between at least three different kinds of questions raised by the book. The first is Edmundson's *exegetical* claim

about Rawls's (allegedly) reticent endorsement of socialism. Second, there is the *theoretical* question regarding whether the parties behind the Original Position should opt out from private ownership regimes or not as a way of getting stability for an ideally just society. Third, I believe there is also a further question whether egalitarians should accept Edmundson's *political* statement for socialism. That is, if the politics of socialization should be endorsed by Rawlsians in real world politics as a matter of justice. In this contribution I will address only the second question, the theoretical one, leaving aside the exegetical and the political claims. In doing so, I am not implying that philosophical exegesis is pointless or a subsidiary matter, nor that there is something politically implausible in Edmundson's assertions about socialization. On the contrary, one of the most thought-provoking points of the book is Edmundson's claim that Rawlsian concepts work nowadays as a sort of *lingua franca* of justice, similar to our political culture to what the Marxist framework represented for the radical politics during the first half of the twentieth-century (2017, 12).

It is helpful to begin by clarifying some of Edmundson's normative arguments for socialization, and to ask why such claims are entitled to be taken as comparatively superior to property-owing ones. What are the burdens of socialization for a democratic society? In other words, what are the political and economic implications of public ownership both for society's basic structure and for the interpersonal relations between free and equal citizens? The first important obstacle raised by socialization under democratic conditions take us back to the classical problem of transitional costs. Rawlsian socialists should tackle one of the most important obstacles for socialism once we take democracy *as a historical starting-point*, namely the structural dependency of the state on private investments. This structural constraint on politics imposes serious difficulties for the democratic socialization of capital. It is reasonable to expect that any form of democratic transition to socialism is doomed to fail from a strict materialistic interpretation of needs (Przeworski and Wallerstein 1988). That is, even when everyone *agrees* that socialization is a better way to organize society's cooperative surplus, it does not follow from this fact that workers, and economically worst-off groups in general, will democratically opt for it without serious misgivings. Citizens who depend on wages and state transfers to survive are likely to suffer more from crises, in the short term at least, caused by disinvestment and international capital flight than capitalists themselves. Even under ideal circumstances, it makes sense to ask what are the best ways to handle the transitional problem from a Rawlsian perspective. More than ever, productive wealth can be easily transferred from country to country and the costs of disinvestment are getting lower with a global labour market. Although Edmundson's discussion of non-ideal theory is illuminating (2017, 186-199), it seems to evade the global economic picture. The transitional costs are particularly bad for small or developing countries in which economic assets are often scarce and off-shored.³ One possible way to solve this problem would be building up normative criteria about the costs of socialization for different groups, as a form of intergenerational standard of justice. Moreover, we must ask what is fair to expect from each other between members of adjacent generations during socialist transitions. Even if we have a lively faith in the politics of

socialization it is reasonable to expect some difficult times until ripping the fruits from socialism.

The second burden of socialization goes directly to the core of Edmundson's rationale for public ownership. Democratic decision-making cannot function well (or not function at all) in the context of a huge concentration of private wealth. This is what Edmundson calls 'the fact of domination': the tendency that the owners of wealth have to employ their *economic* power in order to influence *political* decisions (2017, 52-54, 60). The fact of domination can be explained in three steps: (i) private wealth allows some citizens to employ special material resources and leisure time to political issues, making the elections, and the representative institutions as a whole, biased toward money. (ii) In the long run, those who hold such privileged access to politics tend to exert such a degree of influence over politics that two outcomes are likely to happen: on one hand, their political influence becomes entrenched in the representative system, on the other, they get their economic interests realized through the coercive power of the state, settling the rules of the economy under favourable conditions. It means that, when economic inequality is converted into political control, citizens are subjected to two different sorts of unjust domination: the political subordination of the average citizen to wealthy citizens and the economic subordination of society as a whole to class interests. The ownership of strategic assets, such as the natural resources, the financial system, and the means of communication, allows a small class of individuals to hold an unacceptable degree of control over society's basic structure, setting efficient consumption levels, the terms and quality of labor relations, and the rates of innovation and social investment available for a given society. (iii) Finally, such economic-based social hierarchies bring about a political culture of mutual disdain and political resentment between owners and non-owners putting at risk the basic terms of cooperation among equals. According to the Rawlsian framework, citizens have a higher-order interest in having effective control over their social world, which demands, in turn, social guarantees in relation to citizens' effective control over political institutions. Moreover, as Edmundson claims, more than a merely instrumental function in protecting other liberties, the fair value of political liberties has also an expressive function. Differently from private property, public ownership "[...] expresses the reciprocal relation of free equality between citizens and manifests their mutual assurance that unequal power over productive forces will not be permitted to translate itself into unequal political power" (2017, 161).

My point regarding the fact of domination is that for almost exactly the same set of reasons we could build a democratic-based argument against the inherent tendencies of bureaucratization in socialist regimes. The social insulation of party leaders and technical elites, whose main source of power rests not in money but in their exclusive access to the commanding heights of the economy, could engender another kind of social hierarchy over citizens. Taking the representative institutions as we know them – an important caveat – it is reasonable to expect that we would have almost no effective accountability against such elites. The prospect of one vote each four years is not enough to hold technical managers to account, nor to change the chain of intra-party commands in a significant way. Furthermore, party leaders and experts have the time and recourses

expected to take part in complex and secluded economic decisions. We have good reasons to be afraid that, in order to function efficiently, the commanding heights of the economy needs to create *high commanders* of the economy as well. Lack of power over managerial elites threatens to bring about the same kind of destabilizing forces mentioned earlier, such as political alienation and mutual disdain and resentment. It is important to keep in mind that the fact of domination under its socialist form does not rely on the usual conservative objection against public agencies which assumes as a matter of conceptual truth that the more powerful a bureaucratic group is, the more corrupt and inefficiency it shall become (2017, 160). The sort of mechanism I have in mind here is much less the usual problems of rent-seeking, and more the impersonal forces associated with bureaucracies, such as Robert Michels's famous 'iron law of oligarchies'. According to Michels's law, centralized organizations of any type and purpose has an inner tendency to get ossified and to create their own insulated elites "[...] whose means of domination consists in their technical and intellectual expertise *vis à vis* outsiders and subordinated members of such associations" (1927, 761).

To put it simply, my claim is that the fact of domination must be conceived as a democratic problem that cuts both ways, as oligarchic subordination, on one hand, and as bureaucratic domination, on the other. Bureaucratic control over economy *without a radical transformation* in the terms of economic participation is likely to develop the grounds for social subordination as much as wealth concentration can do. Certainly there are ways to improve public ownership. Working place democracy is one of them, but not the only one. Stakeholding mechanisms, participatory budgeting and direct access to the dividends of social ownership may be necessary as well. Following Rawls, though, Edmundson rejects these forms of economic participation at the principle level (2017, 32, 68-70) leaving it to conventional politics. Differently, I tend to believe that public ownership should be coupled with radical new rights of economic participation from the start in order to be democratically stable over the long run.

Nevertheless, none of these clarificatory questions change the fact that Edmundson has delivered us a book lucid in its arguments and honest in its tone, which can be respectful with its readers even when they might differ from its core message. I could not expect less from a good Rawlsian defence of socialism.⁴

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NOTES

1. By the 'commanding heights' of the economy, Edmundson means any strand of productive activity crucial for social reproduction, such as the national infrastructure, the appropriation of natural resources, financial and insurance systems, and the sectors of communication (including tech-companies) and the transportation (2017, 36-37, 42). It is important to note though that markets themselves, conceived as a device for optimal allocation of prices, are not to be extinguished in such a society.

2. I take the term predistribution from Hacker (2011). For further elaboration, see O'Neill and Williamson (2012)

3. During the last decades, for instance, even soft left-wing reforms in Latin American democracies have been severely punished by investors from the Global North. That fact that such investors can be morally blamed is beyond doubt. However, most puzzling for me is the fact that the majority of them would have never conceived such reforms as dangerously radical if they were carried out in the societies in which they vote.

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