# What Does it Mean to Be “Just”?

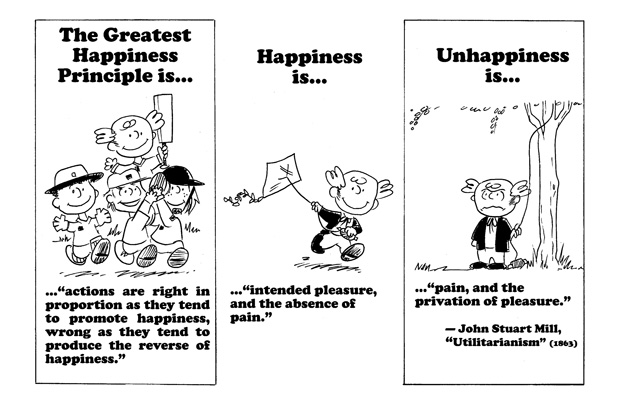
In some very general sense, **justice** is concerned with making sure people “get what they deserve” for both good and bad. Most people, for example, would agree that a thief deserves to be punished in a way that an innocent person does not. Similarly, most people think that a person who works hard deserves to succeed in a way that a lazy person does not. Of course, these principles are not absolute, since any particular case will have some complications (the thief may have “connections” which make punishing him all but impossible; the lazy person is a genius, and reducing her pay may harm the company). Nevertheless, most people have a general sense of the principle of **formal justice,** which requires that *“equals must be treated equally, and unequals must be treated unequally.”*

While there may be widespread agreement that we ought to be “just” in some sense, there is widespread disagreement about what this actually *means.* For example, does justice require that government fund welfare programs in order to help the worse off, or does it forbid this, since it requires taking money from others? These sorts of dilemmas arise at the level of the individual business: what does it mean for a firm to be “just” or “fair” to their employees, customers, and others? What does this mean for how employees are hired or promoted, or how the firm plans for the future? Debates such as these concern principles of **material justice,** which give “material” to the formal principle of justice.Arguments over material justice are among the most contentious issues both in business ethics and in society more generally, and peoples’ differing views on material justice often show up as disagreements about politics, religion, professional ethics, and elsewhere.

Figure 1 Lady Justice at the Old Bailey (from Wikimedia Commons). Justice, according to Aristotle’s view involves treating equals equally, and those who are not equal in proportion to their difference. The “scales” of justice reflect this ideal.

In this lecture, we’ll take a (short) look at the most important contemporary theories of material justice. It’s important to note we’ll be leaving at one historically important view, which might be called **strict egalitarianism.** According to this view, all important benefits and burdens should be distributed more or less equally. Something like this view was plausibly adopted by early hunter-gatherer societies, where there was little division of labor, most members of society knew each other, and it was easy to make sure everyone was “doing their part.” While (more complicated) versions of this theory have been adopted by Marxists, among others, it has a number of severe problems. First, it can’t account for the importance of legal/moral rights (to property, free speech, etc.) in large, diverse modern societies. Second, by destroying all possible incentives for “working hard” or “being creative,” it seems to doom us to a society without progress. (In economics terms, strict egalitarianism is not **Pareto efficient,** since there are alternative principles on which *every single person* would be better off.)

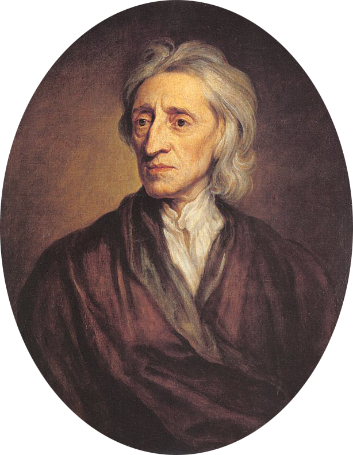
## Utilitarianism: For the Greater Good

According to **utilitarianism**, justice requires that we always aim to maximize the net *utility* (or “well-being”) of everyone affected by the actions. No person’s happiness or sadness counts for “more” than any other. Governments should aim to meet the interests of their citizens, while firms should act to meet the interests of their stakeholders (primarily owners, employees, and customers; but also society more generally). In the end, utilitarians are concerned with what *works,* not just for them as individuals, but for everyone who is affected by the action.

**Strengths.** The theory of utilitarianism is simple, and its basic insight can be understood and appreciated by nearly everyone. It provides a “common language” for people with very different views about personal morality, politics, and business management. For example, the theory (or something like it) plays a major role in the arguments of early economist-philosophers **Adam Smith** and **John Stuart Mill,** both of whom argued forcefully in favor of both free markets AND of government interventions on behalf of the poor.Since then, it has widely adopted by both conservative and liberal economists. Left-leaning utilitarians tend to emphasize the **Principle of Diminishing Marginal Utility** (the more you have of any particular thing, the less value you get out of having more of it), and correspondingly have tended to focus their efforts on helping the worst off (for example, the Gates Foundations’ efforts to combat poverty-related diseases in sub-Saharan Africa). By contrast, conservative-leaning utilitarians tend to emphasize the importance of **incentives** in making the economy work, and note that poorly designed government programs can often backfire by reducing people’s desire to work and contribute. The **neoconservative** movement (led by **Irving Kristol,** among others)in the U.S. and Britain relied on broadly utilitarian arguments to support policies traditionally favored by conservatives.

**Weakness.** While utilitarians tend to defend things like legal rights as being a generally good idea, they don’t have any in-principle opposition to “sacrificing” people for the greater good. Depending on the situation, they may be fine with allowing large levels of inequality; in other situations, they may heavily tax the richest to aid the poor. This sort of “anything goes” philosophy has been criticized by proponents of the other approaches.

## Libertarianism: Liberty or death

 *“But what if he neglect the care of his soul? I answer: What if he neglect the care of his health or of his estate, which things are nearlier related to the government of the magistrate than the other? Will the magistrate provide by an express law that such a one shall not become poor or sick? Laws provide, as much as is possible, that the goods and health of subjects be not injured by the fraud and violence of others; they do not guard them from the negligence or ill-husbandry of the possessors themselves. No man can be forced to be rich or healthful whether he will or no. Nay, God Himself will not save men against their wills.”* – John Locke, *A Letter Concerning Toleration*

According to **libertarianism,** justice requires each person’s rights be respected, and that their “negative liberty” (ability to act without interference from others) be maximized. After that, the distribution of benefits and burdens are determined by the outcomes of individuals making exchanges on free markets. Libertarians generally claim that the government’s *only* role is to protect citizen’s rights, enforce contracts, punish crime, and to ensure some sort of opportunity for new members of society (such as children and immigrants). Unlike utilitarians, who think questions of justice should be answered by considering future outcomes, libertarians approach justice by looking to the past, and ensuring that each person receives what they are *entitled* to. In a business setting, a libertarian approach emphasizing protecting every stakeholder’s *rights:* owners have right to accurate information, customers to safe products, and employees to fair evaluation practices. Prominent libertarians include the English philosopher **John Locke** and (much more recently) the Austrian economist **Frederick Hayek.**

**Strengths.** The sorts of fundamental rights emphasized by libertarians—speech, religion, property, and so on—provide a good “check” on governmental (or organizational) power against the individual. Libertarian theories of justice also deal well with certain sorts of diversity (my idea of the good life may be very different from yours). Finally, many libertarians have claimed their theory is more “realistic” than others, in that (1) implementing libertarian principles doesn’t require we make complex predictions on the effects of our policies and (2) in practice, libertarianism may be less prone to misuse than the other theories, since it doesn’t provide a whole lot of room for (corrupt) leaders to mistreat people for the “greater good.” Libertarians (on both the left and the right) tend to favor simple, straightforward policies (e.g., one popular policy among libertarian academics would replace nearly all government programs for the poor with a **guaranteed basic income,** which require considerably less government apparatus).

**Weaknesses.** Like utilitarianism, libertarianism doesn’t really settle the “right wing” vs. “left wing” debate. Right-wing libertarians (the majority) have tended to see the *government* as the greatest threat to individual liberty, and have tended to think that *current* distributions of wealth shouldn’t be disrupted, since these were largely the result of fair markets. They support some government aid, but primarily for children. Left-wing libertarians (a minority, though **climate change** has caused some libertarians to move somewhat left), by contrast, have tended to emphasize the threats posed by private entities (businesses, religious institutions), and favor government action to protect citizens. They also argue that past injustices (slavery, sexism, etc.) have continued to have large effects, which need to be addressed. Critics of libertarianism have argued that libertarians are far too pessimistic about our ability to make effective plans for society’s future, and are far too *optimistic* about our ability to recognize and rectify past injustices (e.g., it seems unlikely that left and right-wing libertarians are ever going to agree on how to measure the harm done by things like slavery).

## Communitarianism: If you Build it (well), they will come (and be Happy)

*“Lead the people with administrative injunctions and put them in their place with penal law, and they will avoid punishments but will be without a sense of shame. Lead them with excellence and put them in their place through roles and ritual practices, and in addition to developing a sense of shame, they will order themselves harmoniously”* – The Analects of Confucius

According to **communitarianism,** justice requires that we recognize the importance of *communities* in shaping individuals’ ideas about what is good, and that we take actions to help support these communities. These communities might include organized religions, cultural groupings, artistic or political movements, and other groups that are important to citizens’ sense of “self.” At a governmental level, this might mean support for the arts, religious and cultural events, “values education”, and so on. At an organizational level, it might mean a focus on a growing a “healthy workplace culture.” In contrast to the other theories’ focus on individuals and their current interests, communitarians emphasize the importance of moral development and education in shaping how individuals’ interests will evolve over time. The roots of communitarianism go back to classical thinkers such as **Aristotle** and **Confucius,** who emphasized humans’ essentially social nature, and who emphasized that good people could not exist without strong, healthy social institutions. More recently, **Alasdair MacIntyre** has defended a Christian communitarianism, while **Michael Sandel** has used communitarianism to argue against the increasing reach of the “market” in modern societies. Communitarians (whether liberal or conservative) often emphasize that “capitalism” by itself can’t make for a good society.

**Strengths of the Theory.** Communitarianism explicitly recognizes the importance of things like religion, culture, politics, and so on to peoples’ sense of justice, which many of the other theories (intentionally) ignore. It also provides a helpful way of thinking about questions of large-scale institutional design or reform. Finally, communitarianism plausibly captures much of what many “ordinary” people think about justice—i.e., that it less a matter of protecting rights and distributing stuff than it is of “creating a good society” in some broader sense.

Figure 2 The school of Chinse philosophy known as "Confucianism" shares some common ideas with contemporary communitarian models of justice. (From Wikimedia Commons)

**Weaknesses of the Theory.** Communitarianism doesn’t have much to say about the rights or well-being of particular individuals, especially those who disagree with their society’s dominant moral communities. So, for example, think of an atheist in a predominately religious society, where the government actively supports the religion in various ways. Alternatively, consider an ethnic minority in society where the government officially recognizes the cultural practices and traditions of the majority group (but not those of the minority). In both cases, these individuals may be upset at what they see as “misuses” of their tax money, and may also worry about more indirect harms (e.g., that the government’s actions help breed intolerance toward outsiders). This can even happen at organizational level, where well-intentioned efforts to improve workplace culture may strike some employees as being overly intrusive on their “private lives,” and who may well feel pressured to participate in activities that they find objectionable or distasteful.

## Liberal Egalitarianism: Justice as Fairness

According to **liberal egalitarianism,** justice is a matter of being *fair.* In particular, justice requires doing three things: (1) respecting people’s fundamental rights, (2) making sure there is no unjustified discrimination (**fair opportunity rule**), and (3) allowing inequalities between people *only* when these inequalities are to the benefit of those who are worst off (the **difference principle**). The basic idea behind liberal egalitarianism is a relatively simple one, based on the idea that every member of society should (in theory, anyway) be able to *agree* to the way things are set up. According to **John Rawls**, the people who are worst off would agree to their situation only if the above stipulations were met. First, they would want to make sure that their rights (like those of everyone else) would be protected. Second, while they would be willing to accept *some* inequalities (paying doctors more, in order to ensure quality medical care), they would want to be shown that these inequalities actually benefited *them* (e.g., that they actually had access to medical care!). Otherwise, there would simply be no reason for them to “buy in.” Rawls assumes that people are motivated by a fundamental desire to pursue their *own* conception of “the good life,” and are not plagued by issues like envy (“but the other person has more than me!”) or a desire to restrict others’ actions (“I want *everyone* to adopt my ideas about what is good.”)

At an organizational level, liberal egalitarianism recommends focusing on those who might be *harmed* by decisions. This involves asking questions like: (1) Were everyone’s rights respected?, (2) Were proper procedures followed?, and (3) Have those harmed by compensated as well as they could be? The idea is that one should, in theory, be able to *justify* one’s decisions to those harmed in a way that can understand and accept (“the company really did have to lay me off, and the severance and retraining package really was the best they could afford.”)

**Strengths:** Liberal egalitarianism unites the basic concerns of utilitarians (who care about *end results*) with those of libertarians (who care about *respecting rights*) and even egalitarians (who care about equality). The idea that a just society is one that everyone would “consent” to live in is also attractive, especially given the fact that the other theories don’t always do well in capturing this. For example, there are always going to be “losers” in utilitarian, libertarian, or communitarian societies who would *not* have agreed to live in this sort of society. Liberal egalitarianism (especially the Rawlsian version of it) has served as something like the “default” theory of justice in many academic debates over the last 40 years, and even its critics have generally acknowledged the intuitive appeal behind the idea that “justice is fairness.”

**Weaknesses.** Critics of liberal egalitarianism have sometimes claimed that it is impossible to both (1) protect individual rights *no matter what* and (2) distribute resources according to the difference principle. They argue that liberal egalitarian “tries to have its cake and eat it too.” Another criticism (primarily from communitarians and egalitarians) contends that liberal egalitarianism rests on an unrealistic idea of what people actually care about. In particular, people have (and should have) substantive ideas about what is “good” for society, and they care (and should care) about inequality, even when the inequality doesn’t actually “hurt” them directly. Finally, some critics have argued that liberal egalitarianism’s focus on the “helping the worst off” doesn’t adequately capture the importance of *effort* in determining rewards (i.e., those who work harder deserve more).

## REview Question

1. Which theory (or theories) of justice do you think fit the way our *current* society is structured? Or, alternatively, if you think that *none* of these theories describe our current society, why do you think this is (are people simply selfish? Or is something else?)?
2. Which sorts of people do think would benefit most according to each theory of justice? Which people might be harmed?
3. Suppose that you are starting a new business. Which of these theories (if any) do you think would be the *best* guide to how to treat your employees, customers, and others? Why? (It’s fine to say “more than one,” but then be sure to explain how you’d use each theory).

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