

# JUSTICE AT WORK: ARGUING FOR PROPERTY-OWNING DEMOCRACY

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## ABSTRACT

Rawls claims that property-owning democracy satisfies the requirements of justice whereas welfare-state capitalism does not. I argue we can make better sense of this claim if we grant that considerations about the nature of work play a significant role in the evaluation of institutional arrangements in Rawls's account. I distinguish two considerations. First, justice requires that workers are not in relations of servitude at work, and second, it matters that people have meaningful work. The argument in this paper gives us reason to reject a commonly held view that Rawls's theory of justice has little to say about the nature of work. It also points toward development of a liberal egalitarian theory of work.

In the revised edition of *A Theory of Justice*, John Rawls writes there are two items he would handle differently if he “were writing *A Theory of Justice* now.” One of those would be “to distinguish more sharply the idea of a property-owning democracy ... from the idea of a welfare state.”<sup>1</sup> Rawls seems concerned to correct what he regards as a misconception, which is the view that welfare-state capitalism satisfies the requirements of justice as fairness. For Rawls, that view is mistaken. If there is to be private ownership of the means of production, Rawls argues, justice as fairness requires instead property-owning democracy. My aim in this paper is to explore the role that work plays in Rawls's argument.

Both welfare-state capitalism and property-owning democracy are regimes in which the means of production are privately owned. What distinguishes the two is the distribution of the ownership of productive assets. Welfare-state capitalism permits ownership of the means of production in the hands of a few. A decent standard of living for the least advantaged is achieved through redistribution of income.<sup>ii</sup> In contrast, property-owning democracy seeks to maintain the widespread ownership of productive assets over time. Rawls writes, “the intent is not simply to assist those who lose out through accident or misfortune (although that must be done), but rather to put all citizens in a position to manage their own affairs on a footing of a suitable degree of social and economic equality.”<sup>iii</sup>

In this paper, I argue that Rawls’s case for choosing property-owning democracy demonstrates that considerations about the nature of work play a more important role in his account of justice than is often acknowledged. By the nature of work, I have in mind features about paid employment, such as the content of work and the organization of work within economic enterprises, including the allocation of tasks and the assignment of decision-making rights. In this paper, I distinguish two considerations about the nature of work that seem to play an important role in Rawls’s account of justice as fairness. First, justice requires that workers are not in relations of servitude at work, and second, it matters that people have meaningful work. If correct, the argument in this paper gives us reason to reject a commonly held view that Rawls’s theory of justice has little to say about the nature of work.

In addition to furthering our understanding about the institutional requirements of Rawls’s account of justice, this paper is offered as a contribution to developing a liberal egalitarian theory of work. By such a theory, I mean an account that specifies various features of work that the state ought to be concerned to regulate or promote on grounds of liberal

egalitarianism. A theory of work aims to address such questions as whether there ought to be public guarantees for work or whether the state ought to promote worker ownership or work of a certain kind—questions that involve the specific nature of work. The project of developing a liberal egalitarian theory of work is motivated in part by contemporary concerns about work, such as outsourcing and migrant labor. If liberal egalitarians are to engage these and other concerns, it seems important to have a fully developed theory of work.

The paper is organized as follows. In the first section, I outline the view that considerations about the nature of work have little role to play in evaluating institutional arrangements from the perspective of justice in Rawls's account. The second section summarizes Samuel Freeman's recent interpretation of Rawls's argument for choosing property-owning democracy.<sup>iv</sup> In the third section, I argue that Rawls's argument, as presented, fails to account adequately for the choice of property-owning democracy over welfare-state capitalism. In the fourth section, I argue that the case becomes plausible if considerations about the nature of work are recognized as relevant criteria for evaluating institutional arrangements in Rawls's theory of justice. The fifth section concludes with an assessment of the argument advanced in this paper and a discussion of what this argument suggests for developing a theory of work.

## **1. JUSTICE AND WORK**

Rawls's account of justice, as is well known, operates at a level of generality such that many questions about economic institutions are to be left unanswered. On Rawls's account, the answers to such questions depend upon the specific circumstances of a country, including its social institutions, history, and traditions.<sup>v</sup> Given this level of generality, it is natural to enquire whether considerations about the nature of work should matter at all for the evaluation of

institutional arrangements in Rawls's account. In order to frame the analysis in this paper, I discuss ways in which considerations about work have been said to figure in the evaluation of institutional arrangements from the perspective of justice in Rawls's account.<sup>vi</sup>

One way relates to whether or not citizens have work. From the perspective of justice as fairness, it matters that citizens have income and wealth. It also matters that citizens are in a position to participate fully in society. Given these concerns, whether citizens have work seems to be a relevant criterion for evaluating institutional arrangements. It is difficult to imagine a society in which income and wealth are generated without the contribution of labor. Also, even though a citizen's full participation in society need not depend upon her having work, it is difficult to imagine that her full participation would not benefit from having work or at least the opportunity to work. From the perspective of justice in Rawls's account, it seems to matter that citizens have work or at least the opportunity to work.

Some commentators have gone further. They argue that considerations relating to the *nature* of work also have a role to play in evaluating institutional arrangements from the perspective of justice as fairness. Considerations about the nature of work are distinct from the issue of whether or not citizens have work. As noted at the outset of the paper, considerations about the nature of work concern specific features of work such as the content of work and the organization of work within economic enterprises.

One way in which considerations about the nature of work have been said to play a role in the evaluation of institutional arrangements concerns the assignment of decision-making rights within economic enterprises. Specifically, it has been argued that there must be institutional guarantees for workplace democracy—that is, worker participation in organizational decision-making—if an economic regime is to meet the requirements of justice as fairness. These

arguments take more or less direct forms. Direct arguments hold that implicit in Rawls's account of justice are considerations that directly count in favor worker participation in decision-making.<sup>vii</sup> For example, it is has been argued that the account of justice as fairness grounds a principle of self-determination that applies not only to the state, but to other social organizations, including economic enterprises.<sup>viii</sup> Arguments of a less direct form hold that features of society or human psychology make it such that the principles of justice are more likely to be realized if there are institutional guarantees for workplace democracy.<sup>ix</sup> For example, it has been argued that the development of psychological conditions important for citizens in a just society—such as the sense that social institutions are open to reform—is inhibited without active participation in decision-making in various aspects of life, including the workplace.<sup>x</sup>

Arguments along these lines reflect what I take to be a minority view. In general, there seems to be skepticism about the extent to which the nature of work should count in the evaluation of institutional arrangements in Rawls's account.<sup>xi</sup> Rawls's brief remarks on the subject seem to bear out this view. To begin, in enumerating the basic rights of citizens under justice as fairness, Rawls is explicit that the right to control the means of production is not among those rights. That is, although there is a basic right to personal property, there is no basic right to control the means of production, whether privately or publicly.<sup>xii</sup> Furthermore, although Rawls acknowledges that the worst forms of servitude and meaningless work will be eliminated in a just society, neither of these considerations about the nature of work figures as part of his argument for the principles of justice.<sup>xiii</sup> To be clear, at one point in *Justice as Fairness*, Rawls does suggest a way in which the nature of work plays a role in evaluating institutional arrangements. There he asks whether the just state ought to subsidize worker-managed firms on grounds that they may be “more likely to encourage the democratic political virtues needed for a

constitutional regime to endure.”<sup>xiv</sup> The suggestion seems to be that worker-managed firms may be required to ensure the development of the psychological conditions required of citizens in a just society along the lines discussed above. If there is an argument that considerations about the nature of work play a role in the evaluation of institutional arrangements in Rawls’s account, it seems the most plausible argument is of an indirect form.

In reading Rawls, it is not difficult to see why. On Rawls’s account, specific conceptions of the good are not to form the basis for evaluating economic institutions or legislation. One expression of this idea is found in the view that the liberal state must remain neutral with respect to different conceptions of the good in formulating policies or legislation. Another expression is found in the requirement that the reasons given for an institutional requirement or policy must be “public”—that is, they must appeal to citizens’ status as free and equal persons and cannot depend, for their acceptance, upon a belief in some conception of the good. Insofar as proposals to promote or exclude work of a certain nature are thought to rely on a specific conception the good, it may be thought that considerations about the nature of work play little role in determining the choice of one set of arrangements over another in Rawls’s account.

Consider, for example, proposals for institutional guarantees that work be “meaningful.” By meaningful work, most commentators have in mind an objective conception of what such work involves. Specifically, they have in mind work that requires the exercise of judgment, initiative, and intellect on the part of workers.<sup>xv</sup> One argument for meaningful work is grounded in the view that meaningful work is required to respect a worker’s claim to self-realization.<sup>xvi</sup> Another argument is grounded in the view that meaningful work is required to overcome the division of labor that relegates some workers to the role of executing what they themselves have not conceptualized.<sup>xvii</sup> These arguments make the case for meaningful work as part of a good life

or as being required for the exercise of a conception of autonomy grounded in a specific conception of what is good for a person.

In the following sections, I argue that considerations about the nature of work play a larger and more direct role in the evaluation of institutional arrangements in Rawls's account than the discussion in this section suggests. I begin by analyzing the case that Rawls makes for the choice of property-owning democracy over welfare-state capitalism.

## **2. THE FAILINGS OF WELFARE-STATE CAPITALISM**

As noted above, according to Rawls, many questions about economic institutions are to be left unanswered by his account of justice as fairness. With that said, one question on which Rawls is clear is the question about the choice between property-owning democracy and welfare-state capitalism. In recent writing, Samuel Freeman clarifies further the distinction between welfare-state capitalism and property-owning democracy and deepens our understanding about the significance of this distinction for Rawls's account of just economic institutions.<sup>xviii</sup> His account provides a natural place to start.

Freeman identifies two failings of welfare-state capitalism that are of particular significance from the perspective of developing a theory of work.<sup>xix</sup> The first failing, according to Freeman, is that the social minimum guaranteed by welfare-state capitalism is too narrow to fulfill the requirements of justice as fairness. In determining the social minimum, the capitalist welfare state focuses solely on the standard of living of the least advantaged. Justice as fairness, however, requires us to be concerned not only with income and wealth, but also with a person's enjoyment of the basic liberties and her broader role in society. Inequalities are to be measured, for example, also with reference to the "social bases of self-respect"—"those aspects of basic

institutions normally essential if citizens are to have a lively sense of their worth as persons and to be able to advance their ends with self-confidence.”<sup>xx</sup> The basic flaw according to Freeman is that “the welfare state does not encourage its citizens to take control of their lives and be actively productive and equal participants in social and political life.”<sup>xxi</sup>

The second flaw is that because it permits vast inequalities in control of the means of production, welfare-state capitalism does not ensure fair and equal opportunities for citizens, and citizens do not have effective power and authority in their social and economic life. Freeman writes that under welfare-state capitalism “the great majority of people have no control over their working conditions.” Furthermore, “no effort is made to regulate or to expand the positions of authority open to competition to insure that they include widespread availability of positions or any sort of worker control or participation in management.” Under welfare-state capitalism, Freeman concludes, “labor is regarded as but another resource that must be expendable on short notice and under complete owner-controlled management.”<sup>xxii</sup>

From the perspective of developing a liberal egalitarian theory of work, Freeman’s characterization of these two failings of welfare-state capitalism is significant. His characterization makes the case that justice as fairness is concerned not only with a person’s income and her political standing as a citizen, but also with her role in economic production. In order to evaluate the plausibility of developing a liberal egalitarian theory of work along these lines, I turn to assess the extent to which the two flaws identified by Freeman ground the case for favoring property-owning democracy over welfare-state capitalism.



### 3. WHAT'S SO SPECIAL ABOUT PROPERTY-OWNING DEMOCRACY?

I begin by considering the second institutional flaw in welfare-state capitalism that Freeman identifies. Freeman interprets Rawls as being concerned that welfare-state capitalism does not provide fair opportunity for the exercise of effective power and authority by citizens in their economic and social life. By securing a more equal distribution of ownership of the means of production, property-owning democracy is meant to address this flaw. However, there is reason to doubt that a more equal distribution of the means of production, at least on its own, fares much better on this dimension. The reasoning is as follows.

In contemporary economies, much economic production occurs in the context of large-scale economic enterprises. If the ownership of productive assets is distributed equally, it is likely that any given enterprise will be owned by a large number of shareholders, each with a relatively small share of ownership in relation to the market capitalization of the enterprise. Under such circumstances, the share of ownership for any one worker is unlikely to be great enough to grant her the degree of effective control that Freeman suggests is required for property-owning democracy to satisfy the requirements of justice as fairness. More generally, if an individual does exercise control as a worker by way of her status as an owner, she exercises no more control than someone who owns shares in the enterprise and does not work there. The only way, it seems, for workers to possess an effective degree of control by way of ownership is through ownership in small and medium-sized enterprises. From the perspective of the diversification of risk, however, it is undesirable for workers to invest their financial capital heavily in the enterprises in which they work.<sup>xxiii</sup>

In short, it seems that ensuring greater equality in wealth cannot rectify many of the features that make welfare-state capitalism inadequate from the perspective of justice.

Additional measures, such as guarantees for worker participation in management and governance, are needed if property-owning democracy is to address the failures of welfare-state capitalism to fulfill the requirements of justice. To put the point more generally, many of the deficiencies in welfare-state capitalism enumerated by Freeman are concerns about work, but property-owning democracy, as described above, is concerned with a person's status as an owner of capital, and not as a worker. Greater equality in the distribution of productive assets, on its own, does not seem adequate to address the second flaw in welfare-state capitalism as identified in the previous section.

This brings us to the first flaw that property-owning democracy is meant to address. Recall that for Rawls, the aim of property-owning democracy is "to put all citizens in a position to manage their own affairs on a footing of a suitable degree of social and economic equality." Rawls continues by describing what this means for the least advantaged. "Although they control fewer resources," he writes, "they are doing their full share on terms recognized by all as mutually advantageous and consistent with everyone's self-respect."<sup>xxiv</sup> The idea seems to be that in a property-owning democracy, by owning a greater share of productive assets, the least advantaged will be seen as more fully cooperating members of society than they would be under welfare-state capitalism. To say that a person is a fully cooperating member of society is to say that she participates in social life and is seen as a full participant on equal terms as others.<sup>xxv</sup>

All things being equal, if a person owns more resources she is able to be more productive in the sense that her economic output will be greater. However, in what sense does producing more mean that she is a more fully cooperating member of society or that she is doing her full share? Is not a worker who contributes her labor doing her full share and being a fully

cooperating member of society? I doubt that Rawls means to suggest that productive output owing to capital is more valuable than productive output owing to labor.

In response, it may be said that the reason the least advantaged are fully cooperating members of society under property-owning democracy is that they earn their income by participating in the private economy rather than receiving their income directly from the state as they would under welfare-state capitalism. This may strike many as plausible, but there is reason to doubt the view.

To begin, like welfare-state capitalism, property-owning democracy requires a system of redistribution if it is to maintain the widespread ownership of productive assets over time. The difference between the two redistributive systems lies in the nature of what is redistributed. Accordingly, the mere fact of benefiting from redistribution does not seem to be the cause of concern for Rawls. Instead, what seems to distinguish the case of welfare-state capitalism is that the least advantaged are not engaged in productive activity at all. Welfare-state capitalism does not concern itself as to whether or not individuals are engaged in economic activity. If for some reason there is unemployment, rather than rectify the lack of employment, welfare-state capitalism seeks to provide the least advantaged with income.

The question then arises as to why it would not suffice for the state to provide work for the least advantaged rather than productive assets. To be certain, it may be objected that government-provided jobs are simply “make-work” and as such unlikely to promote self-respect.<sup>xxvi</sup> However, as long as government-guaranteed work adds some social value, I see no reason why the fact that it is government-guaranteed should count against its ability to contribute to one’s self-respect under justice as fairness. The lack of demand for a certain kind of work in the market at a given wage does not mean that the work would not be valued if it were

performed. Also, employment need not take the form of working for the government. The least advantaged may be given subsidies for work performed in the private sector. Furthermore, there is nothing to preclude the state from making available opportunities to invest in human capital under welfare-state capitalism so that the least advantaged can be just as productive under welfare-state capitalism as they would be under property-owning democracy.

In summary, if the account in this section is correct, it seems that widespread ownership of productive assets on its own is not adequate to realize justice as fairness in the workplace. Additional reforms are required, such as provisions to enable worker participation in the management and governance of economic enterprises. Nor does it seem that widespread ownership of productive assets fares that much better in realizing the sorts of goals that welfare-state capitalism is said to fail to meet. More needs to be said if we are to explain what is so special about property-owning democracy.

#### **4. SERVITUDE AND MEANINGFUL WORK**

One difference owing to greater ownership of productive assets is that a person is less dependent on her labor as a source of income. It is this feature of property-owning democracy, I argue, that provides a plausible rationale for favoring property-owning democracy with respect to justice as fairness once we recognize the importance of considerations about the nature of work in Rawls's account of justice.

To understand what role considerations about the nature of work might play in Rawls's account of justice, I look to his discussion of the division of labor, alluded to in the first section. Rawls writes that in a just society, "the worst aspects of this division can be surmounted: no one need be servilely dependent on others and made to choose between monotonous and routine

occupations which are deadening to human thought and sensibility.” Rawls concludes, “the division of labor is overcome not by each becoming complete in himself, but by willing and meaningful work within a just social union of social unions in which all can freely participate as they so incline.”<sup>xxvii</sup> From this discussion, two features of work under a just society stand out: first, that workers are not in relations of servitude and second, that workers have meaningful work. Acknowledging the importance of these two features of work and the way in which ownership of productive assets helps to promote them, I argue, helps us to understand more fully the choice of property-owning democracy over welfare-state capitalism. I begin by considering the case of servitude.<sup>xxviii</sup>

One way in which to characterize servitude is with reference to the concept of arbitrary interference. Briefly, an instance of interference is arbitrary if little or no justification can be given for that interference in terms of the interests of the individual upon whom the interference is visited. Although arbitrariness refers to the lack of justification for interference rather than the degree of interference, in the account in this paper, arbitrary interference is taken to involve severe forms of interference. A defining feature of the relationship between a master and servant is that the servant is subject to the capacity for arbitrary interference by the master.<sup>xxix</sup>

There was a time when it was held that the appropriate relation between workers and their employers was that of a servant to a master. Although one would be hard pressed to defend this view today, it remains the case that without adequate institutional protections, workers may be subject to the capacity for arbitrary interference. The underlying reason is that most work requires the exercise of discretion. The need for such discretion can be understood in terms of an economic theory of organizations. According to this theory, many of the decisions required for successful economic activity can be specified only during the course of that activity and not at

the outset when various parties enter into contractual relations. For example, it may be prohibitively costly, or impossible, to specify in advance many of the decisions that need to be taken. Many economic theorists have argued that the function of organizations is precisely to enable activity that requires the exercise of discretion and that cannot be undertaken by way of standard arms-length transactions.<sup>xxx</sup>

Successful operation of an economic enterprise would appear to require the scope of decision-making to encompass decisions that result in substantial interference in the lives of workers. I highlight three categories of decisions. The first category includes decisions that either direct a worker to perform specific tasks or specifically limit the actions that a worker may take within the context of her employment. The second category includes decisions that relate to general features of her employment, such as working conditions, compensation, or promotion. The third category includes decisions that are not made directly about the worker, but nevertheless affect her. Examples of decisions in this third category include decisions about what a company produces or decisions to relocate a company's operations. If little or no justification can be given for these instances of interference in terms of the workers' interests upon whom the interference is visited, then workers are subject to arbitrary interference in significant areas of their lives.

One way to protect workers is through legal regulations, such as safety standards, that proscribe the range of interference that can be visited upon workers in the course of economic activity. Another way to protect workers is to guarantee a right to exit from their place of work. In response to a managerial directive, the worker is free to leave. There are limits, however, to the desirability and efficacy of either approach. As discussed above, the need for discretion seems to be a fundamental feature of economic activity. There is a limit to how much the

discretion of managers can be restricted before the very nature of what makes economic enterprises valuable in the first place is undermined. With regard to exit, if what distinguishes economic enterprises is the exercise of discretion, unless a worker is to avoid working in an economic enterprise altogether, she remains subject to the capacity for arbitrary interference.<sup>xxx</sup>

Property-owning democracy represents a natural way to address these challenges. By reducing the degree to which individuals are dependent upon their labor for income, widespread ownership of productive assets helps to reduce the extent to which individuals are subject to the capacity for arbitrary interference. In contrast, under welfare-state capitalism even if workers enjoy a high standard of living, they remain dependent upon their labor for their income and are subject to the capacity for arbitrary interference. If we acknowledge that the avoidance of relations of servitude at work has special significance in the account of justice as fairness, we are able to understand better the choice of property-owning democracy over welfare-state capitalism on grounds of justice.

In a similar manner, granting meaningful work special significance in the account of justice as fairness helps us to make better sense of the choice of property-owning democracy. Although the term “meaningful work” is sometimes used to refer to work that is meaningful with respect to an individual’s own point of view, most critics of capitalist work relations have in mind an objective conception of the term. Specifically, as discussed in the first section of this paper, they have in mind work that requires the exercise of judgment, initiative, and intellect on the part of workers. Rawls seems to use the term “meaningful work” in a similar manner. For example, when Rawls writes that in a just economy workers will no longer have to choose among “monotonous and routine occupations which are deadening to human thought and sensibility,” he describes work that is the exact opposite of what is normally meant by

meaningful work.<sup>xxxii</sup> Furthermore, recall the conception of human nature that Rawls takes as given and summarizes in the Aristotelian Principle. According to the Aristotelian Principle, “other things equal, human beings enjoy the exercise of their realized capacities (their innate or trained abilities), and this enjoyment increases the more the capacity is realized, or the greater its complexity.”<sup>xxxiii</sup> The Aristotelian Principle seems to recommend meaningful work along the lines described above.

By reducing the degree to which individuals depend upon labor for their income, property-owning democracy helps individuals to secure meaningful work. Under welfare-state capitalism, most individuals depend upon their labor for income. Whether work is meaningful may be a factor in choosing one’s occupation, but there are reasons that count against it being a significant factor under such circumstances. In contrast, under property-owning democracy, the meaningfulness of work can play a larger role in choosing one’s occupation. Property-owning democracy allows individuals to accord the meaningfulness of work a more appropriate degree of significance in their choice of work. By acknowledging the significance of meaningful work in the account of justice as fairness, we are able to understand better the choice of property-owning democracy over welfare-state capitalism on grounds of justice.

Nothing I have said goes against Freeman’s account that justice as fairness favors property-owning democracy. Also, I have not argued that considerations about the nature of work single out property-owning democracy as the only economic regime to meet the requirements of justice. There may be others. What I have argued is that more needs to be said if we are to understand fully the choice of property-owning democracy over welfare-state capitalism; as it stands, Freeman’s argument does not seem complete. In turn, I have argued that attaching greater significance to evaluating institutional arrangements with regard to



considerations about the nature of work in Rawls's account helps us in that understanding. A more complete account of justice at work, in other words, helps to complete the argument for property-owning democracy.<sup>xxxiv</sup>

## 5. TOWARD A THEORY OF WORK

At this point, the following worry may be raised. I have argued that we can make better sense of the choice of property-owning democracy over welfare-state capitalism in Rawls's account if we grant that considerations about the nature of work have a role in evaluating institutional arrangements. I also noted a general skepticism about the extent to which considerations about the nature of work should count in the evaluation of institutional arrangements in Rawls's account. This skepticism was said to reflect the concern that evaluating institutional arrangements with respect to the nature of work relies on invoking a conception of the good, something at odds with Rawls's account. Is the account in this paper at odds with Rawls's theory in this way?<sup>xxxv</sup>

A full response requires engaging issues that lie beyond the scope of this paper, such as the nature of public reason and the requirements of liberal neutrality. However, even without engaging these issues, there is reason to believe this worry need not be a cause of great concern. Much of the concern about invoking a conception of the good to evaluate institutional arrangements is that citizens will be restricted to pursuing activities consistent with that conception of the good. It may be thought that insofar as welfare-state capitalism fails to ensure that citizens enjoy meaningful work and that they are free from relations of servitude at work, it follows that under property-owning democracy citizens are restricted to work that is meaningful and free from servitude. This, however, need not be the case. On the argument in this paper, not

all work need be meaningful or free from servitude in a property-owning democracy. One way to interpret the argument in this paper is that welfare-state capitalism falls short not because it fails to ensure that *all* work is meaningful and free from servitude, but rather because it fails to provide adequate *opportunities* for work that is meaningful and free from servitude. In this manner, considerations about the nature of work still have a role to play in the evaluation of institutional arrangements in Rawls's account of justice.

The paper thus far has proceeded at a fairly abstract level. To help round out the account, I close with a brief discussion of what the argument in this paper suggests about the institutional features needed to address concerns about servitude and meaningful work under property-owning democracy.<sup>xxxvi</sup> Recall that property-owning democracy was said to make citizens less dependent upon labor as a source for income. This was said to protect citizens from being subject to servitude by providing them greater protection against arbitrary interference at work. This also was said to improve opportunities for citizens to pursue meaningful work insofar as remuneration need not be their only consideration for choosing work. If the argument is correct, it seems that property-owning democracy requires institutional arrangements that do more than simply maintain the widespread ownership of productive assets.

Consider institutional protections for workers against being subject to the capacity for arbitrary interference. On its own, a more egalitarian distribution of productive assets may not be adequate to provide such protection. According to the argument in section four, a defining feature of economic enterprises is that they involve the exercise of discretion in ways that affect workers. Even if the ownership of capital means that workers are in a position to exit any one enterprise more easily, they may not be in a position to exit working in an economic enterprise altogether. If this is the case, changes to the decision-making procedure within economic

enterprises will be required to protect workers fully against being subject to the capacity for arbitrary interference. At the very minimum, it seems that constraints on managerial decision-making are required in the form of legal restrictions on the kinds of decisions that are permissible. In addition, these changes might include a right for workers to participate in the management and governance of economic enterprises or the institutionalization of procedures to allow workers to contest managerial decisions.<sup>xxxvii</sup>

Consider now the provision of meaningful work or opportunities for meaningful work. Given the definition of meaningful work—namely, work that requires the exercise of judgment, initiative, and intellect—there is reason to doubt that all work can be guaranteed to qualify as meaningful. It seems there are certain kinds of work that are limited in how meaningful they can be and yet they remain essential for a well-functioning society. Such work is monotonous and repetitive; it is also often difficult or dangerous. Examples of work along these lines include the collection and disposal of waste, the extraction of natural resources, and the provision of routine building security. If considerations about the nature of work have no role in the evaluation of institutional arrangements, such work need not be a source of concern. If, however, considerations about the nature of work do have a role to play in the evaluation of institutional arrangements, as has been argued, then the question arises as to what adjustments can be made. One possibility is to guarantee workers greater control over the management of the economic enterprises in which such work is conducted. The thought is that if the content of the work itself cannot be made meaningful, the overall work experience can be made more meaningful by requiring the exercise of judgment, initiative and intellect at the organizational level.<sup>xxxviii</sup>

To conclude, I have argued that we ought to reconsider the widely held view that considerations about the nature of work have little role to play in the evaluation of institutional

arrangements in Rawls's theory of justice and in liberal egalitarianism more generally. There is reason to hold that considerations about the nature of work—including freedom from servitude and the availability of meaningful work—matter from the perspective of justice. In advancing this argument, my aim has been to further our understanding about the institutional requirements of justice as fairness. My aim also has been to suggest the broader possibilities for a more developed liberal egalitarian theory of work. What I hope to have shown in this paper is that developing this theory is a task worth pursuing. Much work remains to be done if we are to realize justice at work.

## NOTES

<sup>i</sup> John Rawls, *A Theory of Justice*, revised ed. (Cambridge: Belknap Press, 1999), xiv.

<sup>ii</sup> A capitalist welfare state, according to Rawls, “permits a small class to have a near monopoly of the means of production.” A property-owning democracy is an economic regime that seeks to ensure “the widespread ownership of productive assets and human capital (that is, education and trained skills) at the beginning of each period, all this against a background of fair equality of opportunity.” See John Rawls, *Justice as Fairness*, ed. Erin Kelly (Cambridge: Belknap Press, 2000), 139. For a more detailed discussion, see Rawls, *A Theory of Justice*, 234-42. See also Richard Krouse and Michael McPherson, “Capitalism, ‘Property-Owning Democracy,’ and the Welfare State,” in *Democracy and the Welfare State*, ed. Amy Gutmann (Princeton: Princeton University Press, 1988), 79-106.

<sup>iii</sup> Rawls, *Justice as Fairness*, 139.

<sup>iv</sup> Samuel Freeman, *Justice and the Social Contract* (Oxford: Oxford University Press, 2007) and Samuel Freeman, *Rawls* (London: Routledge, 2007).

<sup>v</sup> Rawls, *A Theory of Justice*, 242.

<sup>vi</sup> I thank Waheed Hussain for his suggestion to develop the discussion in this section.

<sup>vii</sup> For further discussion about liberal egalitarian arguments concerning the nature of work and work, more generally, see my paper, \*\*\*.

<sup>viii</sup> Iris Marion Young, “Self-Determination as Principle of Justice,” *The Philosophical Forum* 11 (1979): 30-46. For other arguments, see Rodney Peffer, “Towards a More Adequate Rawlsian Theory of Social Justice,” *Pacific Philosophical Quarterly* 75 (1994): 251-71; Rodney Peffer, *Marxism, Morality, and Social Justice* (Princeton: Princeton University Press, 1990); Barry Clark and Herb Gintis, “Rawlsian Justice and Economic Systems,” *Philosophy and Public Affairs* 7 (1978): 302-25; David Schweikart, “Should Rawls Be a Socialist? A Comparison of His Ideal Capitalism with Worker-Controlled Socialism,” *Social Theory and Practice* 5 (1978): 1-27.

<sup>ix</sup> For a discussion of such arguments, see Joshua Cohen, “The Economic Basis of Deliberative Democracy,” *Social Philosophy and Policy* 6 (1989): 25-50.

<sup>x</sup> For one version of this argument see Cohen, “The Economic Basis,” 28-29. Cohen draws upon Carol Pateman, *Participation and Democratic Theory* (Cambridge: Cambridge University Press, 1970).

<sup>xi</sup> Between Rawls's earlier and later work, there is some variation in how comprehensive these requirements are taken to be. At a minimum, they apply to basic features of the constitution and justification for the use of the coercive power of the state. For helpful discussion, see Russell Muirhead, *Just Work* (Cambridge: Harvard University Press, 2004), 21-26. I thank Thad Williamson for pressing me to clarify this point.

- <sup>xii</sup> Rawls writes, “Two wider conceptions of the right to property are not taken as basic: namely, (i) the right to private property in natural resources and means of production generally, including rights of acquisition and bequest; (ii) the right to property as including the equal right to participate in the control of the means of production and of natural resources, both of which are to be socially, not privately, owned.” See Rawls, *Justice as Fairness*, 114.
- <sup>xiii</sup> Rawls, *A Theory of Justice*, 464.
- <sup>xiv</sup> Rawls, *Justice as Fairness*, 178.
- <sup>xv</sup> For some accounts, see Richard, Arneson, “Meaningful Work and Market Socialism,” *Ethics* 97 (1987): 517-45; Norman, Bowie, “A Kantian Theory of Meaningful Work,” *Journal of Business Ethics* 17 (1998): 1083-92; Adina Schwartz, “Meaningful Work,” *Ethics* 92 (1982): 634-46; Adrian Walsh, “Meaningful Work as a Distributive Good,” *Southern Journal of Philosophy* 32 (1994): 233-50.
- <sup>xvi</sup> Jon Elster, “Self-Realization in Work and Politics: The Marxist Conception of the Good Life,” *Social Philosophy and Policy* 3 (1986): 97-126.
- <sup>xvii</sup> James Murphy, *The Moral Economy of Labor: Aristotelian Themes in Economics Theory* (New Haven: Yale University Press, 1993).
- <sup>xviii</sup> Freeman, *Justice and the Social Contract* and Freeman, *Rawls*.
- <sup>xix</sup> Freeman, *Rawls*, 224-26.
- <sup>xx</sup> Rawls, *Justice as Fairness*, 59.
- <sup>xxi</sup> Freeman, *Justice and the Social Contract*, 108.
- <sup>xxii</sup> Freeman, *Rawls*, 225-26.
- <sup>xxiii</sup> It may be thought that greater ownership of productive assets confers upon workers greater control over their lives at work insofar as they are in a better position to exit the enterprises in which they work. As discussed in later sections, given the need to exercise discretion within economic enterprises, there is a limit to the degree of control that workers are able to exercise through the use of exit. I thank Waheed Hussain for pressing me to raise this point earlier.
- <sup>xxiv</sup> Rawls, *Justice as Fairness*, 139.
- <sup>xxv</sup> I thank Waheed Hussain for suggesting the need to clarify this point.
- <sup>xxvi</sup> Samuel Freeman raises the possibility of this objection in his discussion of property-owning democracy. See Freeman, *Rawls*, 232.
- <sup>xxvii</sup> Rawls, *A Theory of Justice*, 464.
- <sup>xxviii</sup> Parts of the following discussion are drawn from \*\*\* and \*\*\*.
- <sup>xxix</sup> I thank Martin O’Neill for pressing me to clarify some of these points. I discuss the relation between this account and Philip Pettit’s conception of freedom as non-domination in \*\*\*.
- <sup>xxx</sup> For a classic account, see Ronald Coase, “The Nature of the Firm,” *Economica*, new series 4 (1937): 386-405. For discussions of the contemporary economic literature on the theory of the firm, see Pierre Garrouste and Stéphane Saussier, “Looking for a Theory of the Firm: Future Challenges,” *Journal of Economic Behavior and Organization* 58 (2005): 178-99 and Oliver Williamson, “The Theory of the Firm as Governance Structure: From Choice to Contract,” *Journal of Economic Perspectives* 16 (2002): 171-95.
- <sup>xxxi</sup> There are also costs specific to exiting any one place of work.
- <sup>xxxii</sup> Rawls *A Theory of Justice*, 464
- <sup>xxxiii</sup> Rawls, *A Theory of Justice*, 374.
- <sup>xxxiv</sup> I thank Martin O’Neill for pressing me to clarify this point.
- <sup>xxxv</sup> I thank Waheed Hussain and members of the audience for raising this point.
- <sup>xxxvi</sup> I thank Waheed Hussain and Thad Williamson for pressing me to develop some of these points.
- <sup>xxxvii</sup> They may require even greater participation by workers in the management and governance of firms. I thank David Schweikart for raising this suggestion.
- <sup>xxxviii</sup> For an example along these lines, see Michael Walzer’s well-known discussion of the Sunset Scavenger Company, a trash collection company organized as a worker-owned cooperative. See *Spheres of Justice* (New York: Basic Books, 1983), 177-83.