Abstract: Marxian Liberalism is a theory of justice that results from combining the liberal belief that people have a natural right to be free from unwanted coercion, with the Marxian belief that property is coercive. This combination implies that property must be consented to by all people who do or will exist—and thus such consent must be theoretical. Theoretical consent occurs in a Marxian-liberal original position among parties whose knowledge includes Marxian and liberal beliefs. The parties find it rational to consent to a state that protects liberty, and to a system of property governed by the difference principle interpreted according to a moral version of the labor theory of value.

1. Introduction

Marxian Liberalism is a theory of justice that results from combining the liberal belief that people have a natural right to liberty understood as a right to be free of unwanted coercion, with some Marxian beliefs, most importantly, that private property is coercive. A crucial result of this combination is that, on liberal grounds, to be justified, a right to private property must be consented to by all affected by it, which means by all present and future humans. Since there is no way to get the actual consent of all people present and future, this consent must be theoretical, a matter of what it would be rational for people to consent to, not of asking actual people to sign on the dotted line. This gives us what all people would rationally consent to if they could.

To determine what sort of right to private property would receive this theoretical consent, I deploy an imaginary contracting situation modeled on John Rawls’s original position and veil of ignorance,¹ but with a special difference:

¹ The essay provides a brief version of the argument that I set out at length in As Free and as Just as Possible: The Theory of Marxian Liberalism (Reiman 2012).

¹ “In justice as fairness the original position of equality corresponds to the state of nature in the traditional theory of the social contract [. . .]. It is understood as a purely hypothetical situation characterized so as to lead to a certain conception of justice. Among the essential features of this situation is that no one knows his place in society, his class position or social status, nor does anyone know his fortune in the distribution of natural assets and abilities, his intelligence, strength, and the like [. . .]. The principles of justice are chosen behind a veil of ignorance. This ensures that no one is advantaged or disadvantaged in the choice of principles by the outcome of natural chance or the contingency of social circumstances.” (Rawls 1999, 11 (hereafter cited as TJ)).
The knowledge that the parties in this original position possess includes certain liberal and certain Marxian beliefs. I contend that the parties in this Marxian-Liberal original position will agree to a right to property limited by an egalitarian requirement, namely, Rawls’s difference principle. In fact, I argue that this provides the deduction of the difference principle that Rawls aimed for but did not achieve in *A Theory of Justice*.

I defend a Lockean defense of the natural right to liberty based on a secular interpretation of his theory. Then I move to the Marxian idea that private ownership of means of production is coercive. Locke, Rousseau, and Kant all recognized that property limits nonowners’ liberty, but it was Marx who saw that it was coercive. Moreover, he discovered the mechanism by which this coercion functions. I call this mechanism *structural coercion*: the way certain stable patterns of social behavior work to constrain people’s choices beyond the limits of nature or morality. Unlike the normal use of force to protect persons and property, structural coercion works without overt violence. Accordingly, it tends to be invisible. The invisibility of structural coercion is the core of ideology in capitalism. Its result is that transactions in capitalism appear free because they are free of overt violence.

My argument unfolds in the following order. In section 2, ‘The Natural Right to Liberty’, I present my version of Locke’s argument for the natural right to liberty. In section 3, ‘Property: Expression of Liberty and Constraint on Liberty’, I follow Locke as he moves from the right to liberty to the right to large and unequal property. In section 4, ‘Property and Structural Coercion’, I argue that Marx went beyond Locke, Rousseau, and Kant, in seeing that property not only constrained liberty (as, say, gravity does) but that it was a form of coercion (as gravity is not). I contend that Marx’s dereified view of social phenomena enabled him to see this, and led him to discover a new social mechanism of coercion which I call ‘structural coercion’. That it is coercive makes it necessary on liberal grounds that private property be consented to, to be justified. In section 5, ‘The Marxian-Liberal Original Position’, I formulate a Marxian-Liberal version of Rawls’s original position, and, in section 6, ‘Reasoning in the Marxian-Liberal Original Position’, I argue that the parties therein will consent to a right to property subject to Rawls’s difference principle interpreted as governing the exchange of labor in a society. In this section, I respond to Jan Narveson’s objections to this interpretation. In section 7, ‘The Just State’, based on the natural right to liberty and the difference principle, I sketch Marxian Liberalism’s conception of the just state.

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2 “Social and economic inequalities are to be arranged so that they are [...] to the greatest benefit of the least advantaged.” (*TJ*, 266) Rawls writes also that “the difference principle is a strongly egalitarian conception in the sense that unless there is a distribution that makes both [the more advantaged and the less advantaged] persons better off [...] an equal distribution is to be preferred” (*TJ*, 65–6).

3 “One should note that acceptance of [the principles of justice in the original position] is not conjectured as a psychological law or probability. Ideally anyway, I should like to show that their acknowledgment is the only choice consistent with the full description of the original position. The argument aims eventually to be strictly deductive [...] Unhappily the reasoning I shall give will fall far short of this, since it is highly intuitive throughout.” (*TJ*, 104–5)
2. The Natural Right to Liberty

The right to liberty is a right not to be subjected to unwanted coercion. I call it a natural right, because it does not require any act of consent or authorization by others to exist, nor is it derived from some more basic right. It's a negative right because it is a right to noninterference, rather than to some particular performance on the part of others. The right to liberty might be established in numerous ways, so Marxian Liberalism is not limited to the way in which I defend the right here. Nonetheless, since liberals often appeal to Locke’s views on rights to liberty and property, I will present a Lockean argument for the natural right to liberty in this section, and trace his defense of the right to property in the next.

I contend that we can make the best sense out of Locke’s argument for the natural right to liberty by taking that argument to presuppose that rational human beings have the competence to make correctly some simple inferences from facts to normative conclusions. I shall argue that that same presupposed rational competence can account, in Locke’s theory, for how we know that we have the natural right to liberty, for why people are morally responsible, for when people gain the right to liberty, and for why people are morally obligated to respect it. These are not claims about what Locke actually thought he was doing. They are claims about how to make the best sense for us—for whom appeals to God carry little weight in philosophical argument—out of Locke’s theory of the right to liberty.

I understand Locke to be reporting an exercise of the rational competence to make correct moral inferences when he writes in the Second Treatise of Government: “The state of Nature has a law of Nature to govern it, which obliges every one, and reason, which is that law, teaches all mankind who will but consult it, that being all equal and independent, no one ought to harm another in his life, health, liberty or possessions.” What Locke calls the ‘state of Nature’ is the human world with social and political authority imagined away. The ‘equality’ of which he speaks is the absence of any natural authority of one sane adult over another. The ‘independence’ he mentions is their physical separateness. Understood as a report of an exercise of the competence to make correct normative inferences, Locke’s statement means that rational human beings, imagining the natural condition they share with their fellows, will infer from the equality and independence of humans that each human has a right not to be interfered with “in his or her life, health or liberty”.

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4 I say ‘unwanted’ here because, with this right, people may voluntarily subject themselves to coercion, say, by signing a contract. Moreover, people are also rightly subject to coercion necessary to enforce this right for all. I will henceforth assume that this is understood, and not continue to use the term ‘unwanted’.

5 Jeremy Waldron has argued that Locke’s theory of rights cannot be understood apart from Locke’s theistic views. See Waldron 2002. For a defense of a secular reading of Locke’s theory against Waldron’s claim, see Reiman 2005. Another philosopher who reads Locke’s theory in secular terms is A. John Simmons. See Simmons 1992, 10.

6 Locke 1689, chapter II, section 6, emphasis added (hereafter cited as ST, followed by chapter and section numbers).
I omitted the term 'possessions' from Locke's famous phrase here, because it is ambiguous between 'what we physically possess' and 'what we rightfully possess'. Since, as Locke recognized, justifying property is a separate matter, the inference that all have an equal right to liberty is made about us simply as corporeal rational beings. This is essentially an equal right not to have one's body interfered with, a natural negative right to bodily liberty. I call it simply the natural right to liberty.

Our rational competence to make correct moral inferences is not infallible. Its exercises need corroboration. However, since the inferences that result for its exercise are substantive moral judgments, they cannot be proven true by comparing them to facts. Neither can they be proven true by showing that their denial is self-contradictory. Their only corroboration lies in the fact that normal rational human beings tend to make those inferences. Like agreement among scientific experimenters, widespread agreement on such inferences is evidence that they are sound exercises of the competence so to infer, and thus true. This idea is not as strange as it may seem. It is, for example, assumed by the common moral-philosophical strategy of appealing to widely-held intuitions to support moral principles. Such intuitions would be of no probative value if they didn't represent inferences (from situational facts to normative judgments) that humans are thought normally competent to make correctly.

Moreover, some normative inferences are so nearly universally made that they become part of the rationality that we require for people to be held morally responsible for their actions. Such rationality is substantive; it is not limited to logical consistency. Seriously deranged people can be (maddeningly!) consistent in their beliefs. They are held to be insane, and thus not morally responsible, because they fail to make certain substantive inferences, including normative ones. The traditional M'Naghten test for legal insanity includes inability to distinguish right from wrong, that is, lack of the competence to make certain substantive moral inferences correctly. The inference that, in the absence of social and political authority, people have a natural right to liberty is such a substantive moral inference. When social and political authority are not in play, virtually everyone recognizes that it is wrong to harm innocent nonthreatening human beings in their life, health or liberty. Those who do not recognize this are not sufficiently rational to be morally responsible.

Locke presupposes something like this when he affirms that a person gains the right to liberty when he reaches a "[s]tate of maturity, wherein he might be supposed capable to know that law [of nature] [. . .]. When he has acquired that state he is presumed to know how far the law is to be his guide, and how far he may make use of his freedom, and so he comes to have it." (ST, vi:59) The substantive rational competence that enables one to know the right to liberty provides the necessary condition for moral responsibility, and entitles one to exercise the right to liberty. This means that the right is possessed by actual humans who are judged rational enough to be morally responsible by commonsense standards. It is not based on an ideal of perfect rationality or perfect freedom. Thus it does not justify forcing adults to become more rational, nor, in Rousseau's ominous words, forcing people to be free.
Finally, the rational competence that accounts for our knowledge of the natural right to liberty, for moral responsibility, and for when people gain the right, also helps us to make sense of Locke's account of the moral obligation to respect that right. That all rational people can be expected to make the inference that people have a natural right to liberty means that all rational people know that all other rational people recognize that right, and thus that all can expect all others to respect it. Then, anyone who does not respect it is consciously flouting the reasonable expectations of his fellows. Such a person is reasonably judged a threat by the others, and reasonably dealt with defensively. Thus, writes Locke,

“In transgressing the law of Nature, the offender declares himself to live by another rule than that of reason and common equity [ . . . ], and so he becomes dangerous to mankind: [ . . . ] which being a trespass against the whole species, and the peace and safety of it, provided by the law of Nature, every man upon this score, by the right he hath to preserve mankind in general, may restrain, or where it is necessary, destroy things noxious to them, and so may bring such evil on any one who hath transgressed that law, as may make him repent the doing of it, and thereby deter him, and by his example, others from doing the like mischief." (ST, ii:8)

In short, the right to liberty is a natural right because it is a reasonable response to the human condition—it does not depend on consent, actual or theoretical, to exist. It obligates us both because it is a reasonable judgment in response to our shared human condition—acting contrary to it is unreasonable—and because defensive action against those who are not willing to respect the right to liberty is the reasonable response to them. As might have been expected, a Lockean theory of obligation is grounded both in reason and in the threat of sanction.7

3. Property: Expression of Liberty and Constraint on Liberty

From the right to liberty, Locke argues for a right to property. He starts by claiming, based upon the natural right to liberty, that people own themselves and their labor. He takes this to mean that they own what unowned stuff they mix their labor with. This is a very limited property right, since it applies only to what people can consume before it spoils—and it is constrained by what comes to be called the Lockean proviso,8 namely, that there be “enough and as good left in common for others” (ST, v:27). Locke constrains this limited right to property for consumption so that it doesn’t harm others. However, he does not appeal to consent to justify it. He treats the right as an extension of the natural right to liberty.

7 On Locke's views about the ground of moral obligation, see the discussion in Simmons 1992.
Locke goes on to argue for a larger right to property, the right to own as much as one can justly accumulate including what can be stored in the form of money. This right to large and unequal property is essentially the right to property one finds in modern Western nations, such as the USA. That Locke argues for this larger right in the state of nature—prior to the formation of the state—makes him the odd man out among social contractarians. Hobbes, Rousseau, and Kant all held that the larger right to property emerges only after people have left the state of nature by consenting to form a state. Thus Hobbes, Rousseau, and Kant took the right to property to be, not a natural right, but one that is created by the agreement of those affected by it. However, Locke’s difference from these other social contractarians is less than it seems to be. Though it appears in the state of nature, Locke argues that the larger right to property is based on people’s consent. He contends that since the value of money is conventional, it has been consented to. And since money makes possible large and unequal property holdings, they too have been consented to (ST, v:50). Locke effectively gives us, in the state of nature, a pre-contract contractarian argument for the right to large and unequal property. In spite of its arising in the state of nature, because it requires consent, this right is not a natural right on my definition.

Locke’s argument for consent to this right is not very persuasive. More important than the quality of the argument however, is that Locke thought he had to make it. I think he did because the right to large and unequal property is a substantial restriction of the natural right to liberty. Go back in the state of nature to the point at which the natural right to liberty exists, and other rights do not yet exist. At that point, all of us have the right to go wherever we wish, as long as we do not trespass upon others’ bodies. When we add the natural right to property for consumption before spoilage, it brings only minor additional limits. Now we also may not trespass on whatever little pile of things others have accumulated and are about to consume. These limits are naturally small and, since our bodies and our capacities for consumption are similar, the limits are virtually the same for all. Thus, the rights to liberty and to property for consumption keep relations between humans symmetric: we all have roughly the same amount of freedom and authority vis-à-vis one another.

When we add a right to large and unequal property, things change dramatically. When this large piece of land is now my property, you may no longer walk on it or otherwise use it without my permission. Since there is little limit on how much land I may own, this can be a very substantial restriction on where you were previously free to walk and on what you were free to do. And, since there is no assurance that you own an equally large tract of land or any land at all, this is a restriction on you that is not necessarily balanced by an equal restriction on me. You and I may now stand in an asymmetrical relation in which I have significantly more freedom to go where I wish, and do what I want, than you do.

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9 That the value of money is conventional does not imply that it is consented to; and, even if it did, it would not imply consent to everything that money makes possible. The meanings of words are conventional, but that hardly means they are consented to (try not consenting to the conventional meanings of ‘yes’ and ‘no’); and, even if it did, it would not imply consent to everything that words make possible, such as lying.
I surmise that Locke saw (or, at least, sensed) that the right to large and unequal property introduced a new order of unequal liberty and authority into social life. For Locke, the state must be consented to because people have a natural right to liberty that a state’s authority may significantly restrict. That right to liberty entails that such a restriction on liberty may not legitimately be imposed on anyone without her freely authorizing that restriction, thereby making the state’s authority the product of her right to liberty. Since the larger right to property may also significantly restrict liberty, the larger right must be consented to for the same reason that the authority of the state must be consented to. Indeed, the right to large and unequal property is a kind of authority over others: You cannot walk on or use my property unless I give you permission to do so. Then, the larger right to property is on a par with the authority of the state, albeit parcelled out to individuals. If the state is imposed without consent, it violates the natural right to liberty and the same is true if the right to large and unequal property is imposed without consent.

Though Locke saw or sensed that large property rights constrained liberty, he did not contemplate how great this constraint would be once virtually everything is owned. Rousseau recognized the implications of this fateful development:

“When inheritances so increased in number and extent as to occupy the whole of the land, and to border on one another [. . . ]; the supernumeraries, who had been too weak or too indolent to make such acquisitions [. . . ] were obliged to receive their subsistence, or steal it, from the rich; and this soon bred, according to their different characters, dominion and slavery, or violence and rapine.” (Rousseau 1755, 87)

Kant also recognized that the right to property was a limit on the liberty of non-owners. In the *Metaphysics of Morals*, he wrote: “When I declare [. . . ] that something external is to be mine, I thereby declare that everyone else is under obligation to refrain from using that object of my choice, an obligation no one would have were it not for this act of mine to establish a right.” (Kant 1797, 55) Kant saw as well that this could lead to significant inequality such that “the welfare of one very much depends on the will of another (that of the poor on the rich), [and thus] one must obey [. . . ] while the other commands, one must serve (as laborer) while the other pays” (Kant 1793, 73).

4. Property and Structural Coercion

Locke, Rousseau and Kant, all saw that property limited liberty, yet they did not see it as coercive. That fell to Marx. In the half-century that separated him from Kant, Marx saw the emergence of a class of workers possessing no property beyond the muscles in their backs confronting a capitalist class owning all the means for earning a living—which is to say, all the means for living. To live at all, the workers had to work for capitalists. And, since this is required by the structure of ownership rather than by the threat of violence, Marx characterized
the worker in capitalism as "a man who is compelled to sell himself of his own free will".10 Private ownership of means of production by capitalists coerces workers in the same way that some group's private ownership of all sources of available oxygen would coerce the rest of society. Beyond what was necessary to defend this group against challenges to its ownership of the oxygen, no overt violence would be necessary for the coercion to operate. It would operate quite effectively by means of bargains freely struck in which the non-oxygen-owners had to offer something to the owners to get the chance to breathe. They, too, would be compelled to sell themselves of their own free will.

But Marx went further. "The dull compulsion of economic relations", he wrote, "completes the subjection of the labourer to the capitalist. Direct force, outside economic conditions, is of course still used, but only exceptionally." (C, I, 737) With these words, Marx announced the discovery of the mechanism by which private property coerces, namely, economic relations themselves. The existence of a social structure defined by private ownership of means of production by some, and nonownership for the rest, is what coerces the worker to work for the capitalist. Marx was able to see that this was indeed coercion, rather than mere constraint, because of his decentered view of social reality. He saw social structures as patterns of human behavior. Of capitalism, Marx wrote, "capital is not a thing, but a social relation between persons, established by the instrumentality of things" (C, I, 706).11 Marx saw the institution of property in capitalism as a complex system of human behavior in which humans effectively forced one another to act in certain ways. I call this mechanism of compulsion structural coercion.

The term 'structural' is appropriate for such coercion because it works the way that a physical structure such as a traffic bottleneck works to imposes fates on groups, forcing a majority of cars to slow down while leaving it to chance and other factors who makes up that majority and who the minority that slips easily through. The institution of private property is like the bottleneck. A large number of people play roles—as laborers, employers, buyers, sellers, real estate agents, judges, lawyers, police officers, and so on—in that institution. The overall pattern of behavior determined by those roles forces a certain set of options on the people subject to it.12 Though this force works to make the class of nonowners serve the class of owners, it is not the owning class that forces the nonowning class. It is the social structure determined by ownership

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11 Marx may have been influenced by Kant here, since Kant recognized that property ownership was not a relation of a person to a thing, but "a relation of a person to persons". See Kant, The Metaphysic of Morals, 1797, 55.
12 Because, like the traffic bottleneck, the institution of private property affects people as groups rather than determining the outcome for each individual, it is compatible with G. A. Cohen's claims that individual members of the proletariat are free to leave the working class (they can borrow money and establish small shops, for example), but collectively the members of the working class are not free to do so (only a few could set up businesses before the opportunities would be closed off). See Cohen 1983, 14, and Cohen 1985, 102. It is a standard ideological gambit to claim in defense of capitalism that, because some can leave the working class, all can.
that forces this service. The social structure is virtually everyone acting to force virtually everyone to constrain their behavior in certain ways. Precisely because the social structure is a pattern of human behavior (not externally necessitated like a traffic bottleneck), it is human beings acting to limit the freedom of human beings, and thus it is coercion.

Interestingly, this view of social structure is shared by Rawls. For example, Rawls contends that "unjust social arrangements are themselves a kind of extortion, even violence" (TJ, 302). Since extortion and violence are coercive acts of human beings, this requires seeing the social structure in a derelied way, as human beings acting on human beings. And Rawls sees it that way: "The social system is not an unchangeable order beyond human control but a pattern of human action." (TJ, 88)

Since any right to property (beyond a right to what one needs for consumption) will determine the shape of a social structure and thus enable some form of structural coercion, the liberal natural right to liberty dictates that a right to property must be consented to, to be justified. But the issue is not simply will a right to property be consented to or not. The issue is what sort of right, if any, will be consented to. Libertarians characteristically think that the right to property has one shape, namely, absolute ownership, the right to do with one's property whatever one wishes—limited only by others' rights to liberty and their equally absolute ownership rights. This is mistaken in principle and in history. Once we recognize that a right to property must be consented to to be justified, the only limit in principle on the strings that might be attached to the right—as conditions of consent—is that the right remain a recognizable right to property. But rights to property almost always come with limits built into them, with no one thereby doubting that they are rights to property. Ownership comes in many forms. Ownership in fee simple is the most complete form of individual ownership of property in commonlaw countries, but it is not without limits. It is subject to taxation, easements, and the government's power of eminent domain (Burdick 1914, 61-7). Limits are also built into property rights in the legal traditions of other cultures and other eras.13 In short, since property rights normally have limits built into them without stopping being property rights, the issue is not merely whether a right to property is justified, but what sort of right to property, if any, is justified.

5. The Marxian-Liberal Original Position

Since any human being living now or in the future may have her liberty limited by a right to property, the consent that can justify such a right must be theoretical rather than actual. It may well be asked how theoretical consent—consent that it would be rational for people to give, but that they do not actually give—can justify anything. In response, consider first that, for critical decisions that must be made when actual consent is impossible and actual preferences unknown (say, the decision whether or not to treat an unconscious person who will die without

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treatment), it is common to accept consent that it would be rational for people to give as equivalent to actual consent. It is equivalent to what actual people would rationally consent to if they could.

Further, the difference between theoretical and actual consent is less than it seems. For its audience, even 'actual' consent is theoretical. The uttering of 'yes' is not consent, since it might be uttered by someone not competent to consent, a child or a crazy person. We infer consent from the uttering of 'yes' coupled with evidence that the individual is competent. Part of that evidence is that it would be rational to consent in this case. Combining these ideas, we can treat theoretical consent to some right to property as equivalent to actual consent because it concerns a critical decision that must be made when actual consent is impossible, actual preferences are unknown, and the only evidence we possess that people do consent is that it would be rational for them to consent. Note further, that there is no other way that a right to property can be consented to but theoretically, since a right to property that must wait on the actual consent of every newly appearing human being is no right at all. Once it is accepted that property is coercive, the only way in which it can be justified to believers in the right to liberty is by theoretical consent.

Defenders of the right to large and unequal property tend to offer capitalism's great productivity as a reason people would consent to that relatively unlimited right to property. Locke does it (see, e.g., ST, v:43); and Nozick does too (ASU, e.g., 117). But this move is a bit too quick. It would not be rational for people to consent to what leads to greater productivity as an end in itself, that is, without assurance that they will benefit from it—especially knowing that they are agreeing to potentially large limits on their natural right to liberty. Thus, the right to property that can be justified by consent of those affected by it will be a right with, at a minimum, limits built into it that guarantee that everyone will end up with a decent share. But this is just a minimum, and a vague minimum at that.

When, however, we pose the question of what sort of right to property would be consented to by parties in an original position informed by liberal and Marxian beliefs, we get a much more specific notion of the necessary limits on the right of private property. In the imaginary choice situation that Rawls calls the 'original position', parties, representing everyone in a society, must consent unanimously to rules of justice. A veil of ignorance denies them knowledge of facts about their personal characteristics, including what generation they are in, and especially what position they will be in. A veil of ignorance denies them knowledge of facts about their personal characteristics, including what generation they are in, and especially what position they will be in. Moreover they are prohibited from gambling on what position they will be in. Behind the
veil of ignorance, however, the parties in Rawls's original position are stipulated to have general factual knowledge.\footnote{It is taken for granted that [the parties in the original position] know the general facts about human society. They understand political affairs and the principles of economic theory; they know the basis of social organization and the laws of human psychology. Indeed, the parties are presumed to know whatever general facts affect the choice of the principles of justice.” (\textit{TJ}, 119)} In the Marxian-Liberal original position, this factual knowledge includes key beliefs from liberalism and from Marxism.

On Marxian and liberal grounds, I take parties in the Marxian-Liberal original position to have an interest in maximizing their ability to act freely, that is, to be as little subject to coercion as possible. The specific liberal beliefs they hold are that people already have natural rights to liberty, that private property is a necessary condition of individual liberty, and that a state is needed to protect the rights to both liberty and property. The specific Marxian beliefs are that coercion can function structurally (as already discussed), that a moral version of the labor theory of value is needed to evaluate property systems, and what I shall call the fungibility of material and social subjugation. I will elaborate on these beliefs in what follows. It’s important to note that, apart from the natural right to liberty already established, none of these beliefs is a moral principle. They are factual beliefs that could in principle become part of generally accepted knowledge and thus part of the knowledge possessed by parties in Rawls’s own version of the original position. The beliefs get what moral force they have by being coupled with the natural right to liberty.

Though the natural right to liberty is a liberal principle, it is not in conflict with Marxian theory. A right to individual freedom from coercion is not ideological, since freedom must be guaranteed to individuals to be real at all. Nor does such a right deny the social nature of human beings. It is recognition of people’s actual physical separateness, which makes it possible for an individual to suffer or be oppressed even if others are not. In short, individuals must be protected from coercion because the individual is the smallest unit of oppressibility. Moreover, Marx recognized the importance of liberal individual rights. In ‘On the Jewish Question’, he wrote: “Political emancipation [exemplified by the liberal rights granted in the French \textit{Declaration of the Rights of Man and the Citizen}, and in the revolutionary-era American state constitutions of Pennsylvania and New Hampshire] is indeed a great step forward.”\footnote{Marx, ‘On the Jewish Question’, 1843, 227; 234–7. That liberalism is the ideology of capitalism does not imply that it is wholly false or regressive. It is no accident that democracy only stops being a bad word after the advent of capitalism, that feminism arises after the arrival of capitalism, that even the communist movement depends on the existence of capitalism. Ideology must itself be in some measure progressive to work as ideology.}

Beyond their knowing that they have natural rights to liberty, the parties believe, from liberalism and Locke and Kant, but also from history and (surprisingly) as an implication of their Marxian beliefs, that private property is...
essential for liberty. That ownership of means of production is coercive is a Marxian reason for doubting that individual freedom can exist if such ownership is taken out of individuals' hands and placed under state (or other collective) control. The oppressive nature of 20th-century communist states is powerful evidence for such doubt.\textsuperscript{19} The parties also understand from history that a state is needed to protect both the natural right of liberty and whatever right of private property would be consented to.

In addition to an understanding of structural coercion, parties in the Marxian-Liberal original position hold what I call a \textit{moral version of the labor theory of value.}\textsuperscript{20} This version of the theory does not claim to account for prices, nor is it a moral principle. It is a principle of what is morally relevant about economic systems. It holds that for purposes of morally evaluating economic systems, we should view them as systems of the exchange of labor. We need such a theory because, in order to take up the question of what sort of property right would be consented to, we need a measure of what participants give and receive under different property regimes that does not presuppose the validity of any particular property right. When nothing that presupposes the validity of the property system can be used, all that remains that workers give in production (and receive in the form of goods purchased with their wages) is their time and energy, in a word, their labor, or as Marx put it, their 'labor-time' (which he understood to include a standard measure of energy expended).\textsuperscript{21} Materials do not count since they are only given if owned, which presupposes a right to property. Talent is not given because it is not depleted in being exercised. Labor-time is really given in the sense that it is \textit{used up}—workers have only finite time and energy, and thus less left over when they have labored.\textsuperscript{22} It might be objected that counting labor as given by workers presupposes that workers have a property right to it. But it only presupposes that labor is \textit{physically their own}, as their pains and their deaths are their own. This is a \textit{natural fact}. People literally use

\textsuperscript{19} In my view, private, and thus relatively decentralized, ownership of property is the material basis for the freedoms that generally characterize capitalist societies and that have been generally absent from communist ones.

\textsuperscript{20} Here and for the following several paragraphs, I generally follow the analysis in Reiman 1983, 133–59.

\textsuperscript{21} "The labour-time socially necessary is that required to produce an article under the normal conditions of production, and with the average degree of skill and intensity prevalent at the time." (C, I, 39) Note that Marx insisted that the amount of labor-time embodied in the value of commodities was equal to \textit{socially necessary} labor-time to avoid the implication that the less efficiently goods were produced the higher their value would be. G. A. Cohen has argued that this leads to a problem for Marxian theory: the value of actual commodities does not necessarily correspond to the actual labor that went into them, and thus surplus value cannot be taken as equivalent to unpaid labor extracted from workers. See Cohen 1979, 338–60. Since the moral version of the labor theory of value is not concerned with determining prices, it can take commodities as representing the actual labor that went into producing them, and thus it does not fall prey to Cohen's criticism.

\textsuperscript{22} Marx writes that "however varied the useful kinds of labour [. . .] may be, it is a physiological fact, that they are functions of the human organism, and that each such function, whatever may be its nature or form, is \textit{essentially} the expenditure of human brain, nerves, muscles, [. . .]. In all states of society, the labour-time that it costs to produce the means of subsistence, must necessarily be an object of interest to mankind." (C, I, 71)
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Labor done, however willingly or even joyously, is life itself spent.

Because of the moral version of the labor theory of value, parties in the Marxian-Liberal original position understand that the money or goods that a person gets in an economic system are not simply ‘his’ money or goods, but ‘other people’s labor’. Thus, inequalities in people’s economic shares are not merely distributive differences. Indeed, since a property regime is a system of structural coercion, inequalities represent the fact that some people are being forced to work more for others than those others work for them. Because of the complexity of a modern economy, this is spread through the system, not limited only to relations between capitalists and workers. That is, if the average worker’s salary is $20,000 a year, then someone (even another worker) who earns $100,000 a year has the labor-time of five workers at his disposal in return for his own labor-time (and not even for that much, if his earnings are from stocks or other investments). And given that the property system coerces this arrangement, the result is a relationship of forced servitude mediated by the economic system. I call this forced servitude social subjugation because it is a matter of people being subjugated by other people.

We need distributive measures for this because the invisibility of structural coercion hides the fact of social subjugation. In Capital, Marx took distributive measures as indications of exploitation:

"The rate of surplus-value [the ratio between the value received from the worker by the capitalist in the form of profit, and the value that the capitalist gives to the worker in the form of his wage] is [...] an exact expression of the degree of exploitation [...] of the labourer by the capitalist." (C, I, 218)

Accordingly, parties in the Marxian-Liberal original position will not simply consider the right to private property in terms of the benefits it may bring them, they will look at it as a system of social subjugation and consider whether, and what, benefits might make that system worth accepting.

Since they understand distributive inequalities as measures of social subjugation, the parties—desiring to maximize their ability to act freely—will not consent to distributive inequalities unless there is a counterbalancing gain in freedom. However, the parties in the Marxian-Liberal original position also believe in the fungibility of material subjugation and social subjugation. This belief points the way to a counterbalancing gain in freedom that makes it reasonable to consent to distributive inequalities that represent social subjugation.

Material subjugation refers to the constraints on freedom that come from the fact that human beings’ freedom is subject to the constraints of the material world, such that (a) they need material objects to have genuine freedom in the sense of the real possibility of acting on their choices (this includes obvious things that enhance people’s ability to act on their choices, such as food and clothes and shelter, but also cures to diseases and other protections against life’s perils).23

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23 The idea that material objects are necessary for genuine freedom is accepted by van Parijs 1995, and by Sen 2009.
and (b) they must work on nature to wring from it the objects covered under (a). The belief that an ample supply of material goods is a necessary condition of genuine freedom is behind the Marxian critique of liberal rights as merely formal: rights without material means to act on them give no real freedom.\footnote{Rawls addresses this Marxian critique with respect to political rights. See Rawls 2001, 177.}

*The fungibility of material subjugation and social subjugation* holds that for equal deprivations of freedom, being constrained by material deprivation is equivalent to being constrained by human coercion. The belief that material and social subjugation are equivalent is implicit in Marx’s view that history is progressive.\footnote{Marx, A Preface to *A Contribution to the Critique of Political Economy*, 1859, 426.} Since, for Marx, history—up to and including capitalism—is a story of social subjugation accompanied by declining material subjugation due to increasing power over nature, the progressivity of history implies that such social subjugation is a price worth paying for the reduction in material subjugation. And that implies that social and material subjugation are fungible, one can rationally be traded for the other.\footnote{This is most evident if Marx is taken as subscribing the view sometimes voiced by Engels, that the earliest societies were characterized by a so-called primitive communism. Since those societies were more egalitarian than the ones that followed, history could only count as progressive if those subsequent societies were seen as trade-offs necessary for increasing human power over nature. See Engels, *The Origin of the Family, Private Property and the State*, 1884, 103, 112-14.} And I take this to mean that, for equal deprivations of freedom, social and material subjugation are equivalent.

Since the parties in the Marxian-Liberal original position believe in the fungibility of material subjugation and social subjugation, the parties would find it rational to agree to some inequalities in exchanges of labor-time, that is, to some social subjugation, if there were counterbalancing reductions in material subjugation. The parties know from history that socialist societies that insist broadly on equality of labor-time tend to be stagnant economies, and they know from history (and from Marxism) that capitalist economies that allow inequalities of labor-time, primarily in the form of incentives for more productive labor, tend to have extremely productive economies. Thus, it would be reasonable for them to agree to an unequal capitalist economy rather than an equal socialist economy, if they can be guaranteed that they will get the compensating increase in freedom that comes from reducing material subjugation, that is, from increasing their material standard of living. In short, the parties’ interest in exercising their liberty, combined with the Marxian belief that increasing possession of material goods is a condition of increasing freedom, give the parties a strong interest in a system that increases their material standard of living. And this is all the more so, once the basic liberties are guaranteed.

### 6. Reasoning in the Marxian-Liberal Original Position

Social subjugation could be accepted if it were compensated for by a reduction in material subjugation, either in the form of more material goods or less required...
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labor. For simplicity's sake, I shall assume that workers who gain increases in material goods (as pay for their labor) can trade these for reductions in labor-time. Then, we can say that parties in the Marxian-Liberal original position can accept inequalities (measured in labor-time) that amount to social subjugation, if they are counterbalanced by the reductions in material subjugation that come from increases in the workers' standard of living (measured in goods).

For several reasons, the parties will believe that they better serve their interest in exercising their right to liberty by minimizing material subjugation (by raising their material standard of living) than by minimizing social subjugation. First, they know from history that increases in material standard of living tend to be cumulative over time. Each generation normally starts at the material standard of living attained by their parents over the course of their lifetimes. Thus any rise in the material standard of living will normally raise the floor for all subsequent generations. This means that everyone, present and future, benefits from raising the material standard of living at any point, and gives the parties an interest in an ongoing increase in the material standard of living over time.27 The parties also know that, at least for the foreseeable future, even if social subjugation were eliminated, workers would still be required to work to produce their material goods. That is, even if labor exchanges were made perfectly equal, work would still be required. Their lives would still be largely shaped by material subjugation, with little appreciable gain. Thus it follows that reductions in material subjugation, that is, increases in material standard of living, are likely to produce greater gains in freedom than reductions in social subjugation. This point gains even more force once the natural right to liberty is in place, since it eliminates the worst features of servitude and slavery.

Accordingly, in light of the fungibility of material and social subjugation, parties in the Marxian-Liberal original position have an interest in giving priority to reduction of material subjugation over reduction in social subjugation. Indeed, it is in their interest to seek the greatest possible reduction in material subjugation, which is to say the greatest increase in their material standard of living. They do not of course stop wanting to reduce social subjugation. Rather, they find it rational to accept the minimum amount of social subjugation needed to maximize their material standard of living. This means they must maximize people's shares in the products of others' labor while minimizing the degree to which people labor more for others than they get back in return. Since the parties in the Marxian-Liberal original position do not know and cannot gamble on what position they will occupy in society, they must apply this to every position in the society that will be governed by the principles agreed to in the original position.

Here, then, is a crucial difference between the thinking in the Marxian-Liberal original position and what goes on in Rawls's original position. In Rawls's version, parties must maximize the share of income for all, not knowing which one they will be. In the Marxian-Liberal original position, parties must seek to

27 Since the natural environment is everyone's home, I take it that the parties understand their interest in raising their material standard of living as subject to due respect for the natural environment, which is in everyone's interest.
maximize each person's share of material goods while minimizing the degree to which that person must do more labor for others than she gets from them in return. The parties must do this for each, subject to the requirement of doing it for all.

The only way to do this for all is to maximize the absolute share of material goods for each person while not reducing the absolute share of material goods of anyone who has a smaller share than that person. The reason is that if you increase one person's share by reducing that of someone with a smaller share than him, then you make the one with the reduced share labor more for others than is necessary to maximize her share. And that means that you do not maximize everyone's share while minimizing social subjugation. Thus the parties must maximize the absolute material standard of living for the whole society starting with the worst off people and moving up through the other positions above it.

Translating social subjugation back into distributive inequalities (understood in terms of labor-time), and material subjugation into the workers' material standard of living (understood in terms of goods), we can say that parties in the Marxist-Liberal original position will find it rational to consent to inequalities in distributive shares if they are the minimum inequalities necessary to maximize everyone's share of goods starting from the worst off and moving up.

This standard is equivalent to Rawls's difference principle, which calls for reducing inequalities to the minimum necessary to maximize the absolute size of the worst-off group's lifetime share\textsuperscript{28} of socially produced goods.\textsuperscript{29} The absolute size of the worst-off group's lifetime share (measured in goods) reflects the degree in which people reduce material subjugation. The inequalities that the difference principle allows (measured in labor-time) represent the least amount of social subjugation necessary to minimize material subjugation for the worst-off group—and thereby for every group more fortunate than it in the social system. Accordingly, people in the imaginary Marxist-Liberal original position will consent to a right to property governed by Rawls's difference principle. This provides a deduction of the difference principle.

Criticizing the difference principle, Narveson claims that the only way to maximize the share of the worst off is to give everyone an equal share (Narveson 2014, 56). But this would only hold if we were considering a distribution in a single moment. Then, the maximum everyone can have together is equality. However, since, over time, inequalities work as incentives to elicit more productive labor, giving everyone an equal share permanently will yield smaller

\textsuperscript{28} Rawls is clear that the difference principle is about people's shares over the course of their lifetimes. When he talks about how the principle operates, he speaks of "life prospects" or "expectations" (\textit{TJ}, 67-68), and he makes clear that individuals' "expectation indicates their life prospects as viewed from their social station" (\textit{TJ}, 56).

\textsuperscript{29} Rawls's version of the idea that inequalities are necessary to maximize distributive share of the poorest people is that—at least for some stretch of history—inequalities are necessary as incentives for higher productivity, especially since we want to avoid using coercion for that end. This is tied to the emphasis on lifetime shares in the difference principle, just mentioned. Without the emphasis on lifetime shares, one might think the difference principle requires equality right now because by making everyone equal right now, we maximize the share of the worst off (without making anyone else still worse off than them).
shares for all than allowing incentives and thus inequalities. Thus, over time, maximizing the share of the worst off does not require equality.\footnote{This and the following paragraph are drawn from Reiman 2014, 229-37.}

Note that the moral version of the labor theory of value is based on the value of labor to the worker in the sense of what he gives in laboring that he then has less of (Reiman 2012, 123). My contention is that this amounts to time and energy (or effort). Because the worker has a finite amount of time and energy, he has less left over after working (Reiman 2012, 124-25). Narveson ‘critiques’ my claims here by arguing that the value of labor is its market value, that is, what others will pay for it.\footnote{Narveson 2014, 50, 69-70. The labor theory of value, Marx’s or the moral version, is based on the value of labor to the laborer—not its value to the consumer, that is, its market value. Narveson’s exclusive focus on market value and ignoring of value to the laborer occur throughout his responses to me. For example, in a recent personal communication, commenting on my claim that an economy is a system of exchanges of labor, Narveson writes: “Everyone who exchanges anything exchanges services [rather than labor], and how much effort and sweat go into it is an independent and intrinsically irrelevant matter [. . .].” Irrelevant to whom? Perhaps to consumers, but surely not to the laborers whose effort and sweat it is.} I put ‘critiques’ in quotation marks because this is not a critique of my argument from the moral version of the labor theory of value, since my argument is based on the value of labor to the laborer; not its value to others on the market. Certainly, it is no surprise that a labor theory of value, inspired as it is by Marxism, views value from the standpoint of the laborer.

Since structural coercion amounts to virtually everyone forcing virtually everyone else, social subjugation will be spread through society, to the detriment and benefit of numerous people. Nonetheless, social subjugation is a greater constraint on freedom the relatively poorer one is, since the relatively poorer one is, the more one is forced to work for others compared to how much those others work for one. Accordingly, parties in the Marxian-Liberal original position, not knowing (and unable to gamble on) which position they will occupy in whatever distributive scheme they agree to, and wanting to maximize their ability to act freely, will want to reduce material subjugation from the bottom of society working up. Imagining themselves in the poorest position, they will insist that their lifetime share be the largest it can be. Then, imagining themselves in each better position one after another, they will insist that the shares at each position be the largest they can be without reducing the shares below them.

Think of the positions in the distributive scheme as arrayed on a ladder, with the smallest share at the bottom, and shares getting larger as they ascend the ladder. Then, the lifetime share at the lowest rung must be largest it can be, the share on the second rung must be the largest it can be without making the one below it yet smaller, the share on the third rung must be the largest it can be without making the two lower than it still smaller, and so on all the way to the top. This is precisely how Rawls understands the difference principle to work. Though Rawls focuses on the fate of the worst-off group, he assumes that the logic of the difference principle will apply to all groups working upwards from the worst off. If it doesn’t, then Rawls contends that an expanded version of
the difference principle, which he calls the *lexical difference principle*, should be applied. It holds:

“In a basic structure with \(n\) relevant representatives, first maximize the welfare of the worst-off representative man; second, for equal welfare of the worst-off representative, maximize the welfare of the second worst-off representative man, and so on until the last case which is, for equal welfare of all the preceding \(n - 1\) representatives, maximize the welfare of the best-off representative man.” \(\text{TJ, 72}\)

Note that, for Marxian Liberalism, the difference principle is more than a principle of distributive justice. It is a principle for making the structural coercion built into the property system such that people would consent to it. This makes for a property system that, albeit coercive, is compatible with the natural right to liberty.

Before ending this section, it’s worth noting that Marxian Liberalism entails some theoretical limits on the difference principle. One important limit is this: like Marx himself, Marxian Liberalism looks forward to a time when technology will produce all the goods that people need and want (when “the springs of cooperative wealth flow more abundantly”), and people will labor for the pleasure of it (when “labour has become […] life’s prime want”). At that point, the difference principle would be replaced by the principle: “From each according to his ability, to each according to his needs.” (Marx 1875, 531) This principle announces the end of economically mediated coercion because it no longer makes what workers receive depend on the labor they give. Until then, the difference principle would make for the least possible coercion in the economy, and thus make for a system of private property that rational people would consent to.

### 7. The Just State

A state would be chosen in the Marxian-Liberal original position because it is necessary to specify and enforce the rights to liberty and property. The just state must protect every sane adult’s natural negative right to be free from unwanted coercion, and it must assure that the economy works in conformity with the difference principle. Though I speak here of the state and the economy, Marxian Liberalism does not accept the distinction between the political and economic realms—the former coercive and the latter free—attacked by Marx in ‘On the Jewish Question’.32 For Marxian Liberalism, the economy must be governed by the difference principle precisely because it is a realm of coercion. For this reason, unlike Rawls’s theory of justice, the protection of natural liberty and the implementation of the difference principle are not characterized by lexical priority of the first over the second (cf., e.g., *TJ*, 33–4). Both principles hold fully and simultaneously because both are meant to protect individuals from coercion. Therefore, also unlike Rawls’s theory of justice, both principles are

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constitutional principles to be enforced by the equivalent of a Supreme Court

The just state is limited in its activity to enforcing the principle of liberty
and the difference principle, and providing the conditions necessary to their func-
tioning. Under the first principle, the just state will outlaw physical assaults,
and fraud as well, since these function like coercion to undermine choice. That
principle also dictates that preference be given to private—that is, uncoerced
and uncoercive—solutions to public problems. Under the second principle, the
government will assure that distributive outcomes conform to the difference prin-
ciple, and that the conditions for the effective functioning of the economy are in
place. Because racism and sexism are forms of structural coercion, the govern-
ment will combat them and other (perhaps as yet unidentified) 'isms' that are
structurally coercive as well. For this reason (plus the provision for education
of children mentioned below), the difference principle need not be associated
with a principle of fair opportunity, as it is in Rawls's version (TJ, 226, see also 778).

Decisions about how the just state will satisfy these requirements will be made
democratically—based on the principle of one person, one vote. That assures
that all people have equal ability to determine their society's conduct, and thus
their own conduct as members of that society. In that sense, democracy is the
collective expression of each person's natural right to liberty. For that reason,
the just state will also make sure that private property is not used in ways that
undermine people's equal rights to shape their society's conduct.33

Note that by protecting liberty for all and implementing the difference prin-
ciple, the just state is an egalitarian state. The right to liberty is possessed
equally by all, and the difference principle is egalitarian because it calls for the
greatest degree of equality that can be had without making the poorest people
even poorer.34 The government of the just state will be more active than the
minimum nightwatchman state preferred by some liberals. For the following
reasons, it is, nonetheless, still truly a liberal state:

There will be no morals legislation, no victimless crime laws and the like.
These are constitutionally prohibited by the natural right to liberty. That the
state will engage in public projects necessary for protection of liberty and con-
formity to the difference principle only when these cannot be assured privately35
is guaranteed by that same constitutional right to liberty.

The only paternalism in which the just state will engage is where paternalism
is appropriate, namely, the treatment of children. Since children are unable to
provide for themselves, and unable to decide how to use freedom, the state will
have to assure that they receive the care and education needed to develop into

33 Rawls refers to this as guaranteeing the fair value of political liberties. See Rawls 2001, 148–50.
34 "According to the difference principle, [inequality in life prospects between entrepreneurs
and unskilled workers] is only justifiable if the difference in expectation is to the advantage
of the [...] unskilled worker. The inequality in expectation is permissible only if lowering it
would make the working class even more worse off." (TJ, 68)
35 For example, some part of people's shares in the distributive scheme might take the form
of health services that would be provided by the state if that were the only way to provide
them efficiently and reliably.
adults who can provide for themselves and decide how to use their freedom. Here too, if such care and education can be provided privately, then it will be.

More deeply, however, the just state is a liberal state because in it, all laws, as well as the state itself, exist only to protect people against unwanted coercion. The just state appears to be doing more than this because of the general invisibility of structural coercion. Since the just state both protects the right to liberty and limits social subjugation in the economic system to the minimum needed to maximize people’s shares in the material means of freedom, it provides for the greatest amount of freedom possible overall.

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