



ISSN Print: 2394-7500  
ISSN Online: 2394-5869  
Impact Factor: 5.2  
IJAR 2017; 3(6): 1313-1316  
www.allresearchjournal.com  
Received: 17-04-2017  
Accepted: 29-05-2017

**Dr. Madhu Prashar**  
Principal, Dev Samaj College  
for Women, Ferozepur City,  
Punjab, India

## The pecuniary principles of Rawl

**Dr. Madhu Prashar**

### Abstract

Social background conditions and general all-purpose means normally necessary for developing and exercising moral powers and for effectively pursuing and exercising moral powers and for effectively pursuing a conception of the good are called "primary goods" by Rawls. Moral persons as free and equal citizens of a well-ordered society, who have an interest in developing and exercising their moral powers and also on interest in protecting and advancing their conception of the good within the framework of a well-ordered society, will have a desire for more of these. Through this research paper the main moral based financial principals of Rawls' will be highlighted.

**Keywords:** Equality, market forces

### Introduction

Some basic principles are required for the just distribution of primary goods among people who are going to form a society. If the principles of justice are thought of as arising from an original agreement in a situation of equality, it is an open question whether the principle of utility would be acknowledged. But Rawls argues offhand it hardly seems likely that persons who view themselves as equals, entitled to press their claims upon one another, would agree to a principle which may require lesser life prospects for some simply for the sake of a greater sum of advantages enjoyed by others. Since each desire to protect his interests, his capacity to advance his conception of the good, no one has a reason to acquiesce in an enduring loss for

himself in order to bring about a greater net balance of satisfaction. In the absence of strong and lasting benevolent impulses, a rational man would not accept a basic structure merely because it maximized the algebraic sum of advantages irrespective of its permanent effects on his own basic rights and interests". According to Rawls, the principle of utility is incompatible with the conception of social co-operation among equals for mutual advantage and also with the idea of reciprocity implicit in the notion of a well-ordered society.

Rawls' main objection to utilitarian theory has been the standard one that its application may occasion the violation of individual integrity, rights and liberty. In particular, utilitarian aim to derive principles of justice from the singular end of attaining the maximum sum of satisfaction gets distributed among individuals. As Rawls read utilitarian theory: There is no reason in principle why the greater gains of some should not compensate for the lesser losses of others; or more importantly, why the violation of the liberty of a few might not be made right by the greater good shared by many. (p.26 T.J.)

Rawls views his well-ordered society as a co-operative social union in which everyone who is able is expected to live up to a social obligation. This view finds expression in the difference principle in its requirement that members of the most advantaged stratum must contribute to the common good, which thanks to the "chain-connectedness" assumption, Rawls interprets as improving the well-being of the least advantaged segment. The principle is one of "mutual benefit" and those who are better situated deserve their position only if their productive effort benefits others. It is precisely because the principle establishes a connection between the distribution of rewards and the discharge of social obligation that it differs radically from bourgeois conceptions of distributive justice. According to the latter, the distribution of benefits is determined by "property rights that are not deducible from the discharge of function and these rights are anterior to, and independent of, any service which an individual may render". In bourgeois society, ownership of market-scarce productive factors or commodities yields rewards, and ownership need not be accompanied by

### Correspondence

**Dr. Madhu Prashar**  
Principal, Dev Samaj College  
for Women, Ferozepur City,  
Punjab, India

productive service on the part of the owners. Bourgeois theorists, such as Hayek and Friedman, argue explicitly, as most neoclassicist theorists imply, that "luck" determines largely who gets (and should get). What in capitalist market society, so that if one is fortunate enough to be born into a wealthy family, or to be born with certain characteristics that fetch high market prices, or to make profitable investments, then on qualifies for dis-proportionate rewards. In bourgeois society, no one who is lucky enough to own a commodity in great demand need make any productive effort to cash in on the public store. All one need to do is own something end, to be sure, ownership is not a productive activity.

### Principles of distribution

In contrast to market principles of distribution, the difference principle "does not weight men's share in the benefits and burdens of social cooperation according to their social fortune their luck in the natural lottery". No one deserves his greater natural capacity nor merits a more favourable starting place in society and the naturally advantaged are not to gain merely because they are more gifted. Instead, those who gain from their good fortune must work to improve the circumstances of those who have lost out, and their greater rewards constitute a kind of compensation for the costs incurred in the fulfilment of their social obligation. By ruling out natural and social contingencies as a basis for distribution, so "arbitrary from a moral point of view", the difference principle can work to narrow the range of differentials. It excludes rewards not tied to the performance of social function and, in this way, undermines the claims of those who drive their wealth and power on the basis of mere ownership of productive factors. In addition to challenging one basis for differentials, the difference principle establishes a limit to their size by seeking to secure "equality of opportunities". The supplementary principle of fair, as opposed to formal, equality of opportunity is being introduced to whittle away preliminary inequalities by ensuring a similarity of social and economic circumstances for all, "regardless of their initial place in the social system, irrespective of the income class into which they are born". Rawls assigns a not inconsiderable role to the state in providing practical equality of opportunity.

"Free market arrangements must be set within a framework of political and legal institutions which regulate the overall trends of economic events and preserves the social conditions for fair equality of opportunity. The elements of this frame-work are familiar enough, though it may be worthwhile to recall the importance of preventing excessive accumulations of property and wealth and of maintaining equal opportunities of education for all. Chances to acquire cultural knowledge and skills should not depend upon one's class position, and so the school system should be designed to even out class barriers".

### Principles of distribution of opportunities

Rawls is not a meritocrat in the strong sense because he disallows rewarding differentially merit that is the result of the natural lottery. He is a meritocrat in the weak sense that abilities and talents are to be matched with certain roles or jobs. His argument appears to require this matching for two reasons: (a) the performance of tasks by those most qualified provides some insurance that recipients of their

service will benefit, and (b) those with the requisite skills should have the opportunity to cultivate them, enabling them to experience the realization of self which comes from a skillful and devoted exercise of social duties". This does not mean that individuals need to be confined to the performance of singular tasks. The aim is to provide equality of opportunity for individuals to develop and realize the capacities they possess; meritocratic job placement in no way rules out the holding of multiple roles. It is true, as Norman Daniels notes, that the natural lottery still determines access to jobs, so that some people will be excluded from the pursuit of certain occupations as their life's work. This may seem morally problematic as it limits liberty, but it would expect that, in line with the Aristotelian Principle, greater satisfaction is derived from engaging in those activities at which one is skilled than in facing up to the frustration involved in the unsuccessful pursuit of endeavours resulting in repeated failure. If meritocratic job placement limits liberty, it is a liberty the regulation of which works to protect the interests of both the frustrated aspirant and those who might be treated to his or her incompetence. To sum up: Far from denying individuals opportunities to actualize capacities, meritocratic role assignment (in what I have called the "weak sense") facilitates this process, and it does so in a way that does not permit the distribution of wealth and status to be settled by the distribution of natural assets.

The plausibility of Rawls's argument for acceptance of the Difference Principle in the original position depends on the knowledge that competitive market forces operate in their society in such a manner that parties can reasonably expect that, given an open class system, excessive inequalities will not obtain. In fact, Rawls assumes, at least implicitly, markets in the very definition of well-ordered society. making it a part of its basic structure and the basic social institutions. "We start with the basic structure and try to see how this system itself should make the corrections necessary to preserve background justice".

The difference principle does not enjoin regular interference by the state with the immediate distributional effects of specific market transactions. The subject of justice is not the particular distributions themselves but rather the "basic structure" or organization of the background institutions that set the stage for particular distributions. It is still fitting, however to characterize the difference principle as patterned, since the particular distributions would be different if it were not for the presence and operation of the background institutions. It is worth noting how Rawls distinction between the basic structure and specific distributions work to immunize his theory against the libertarian criticism of Nozick, Hayek, *et al.*, who conjure up the spectra of the just state administered by legions of bureaucratic meddlers regulating the distributive result of each and every transaction among individuals. In Rawls's theory, the market, when set against the right basic structure, tends to yield automatically an overall distributive outcome consistent with social justice. It allows for freedom of employment and provides a way of objectively measuring degrees of disutility attached to productive contributions. No need, then for government officials to regulate the job market by "assigning" jobs or to establish an incomes policy according to their "subjective" or "arbitrary" estimates of disutility. The place accorded to the market in the difference principle goes some distance in serving the "necessary"

connection claimed to exist by libertarian theorists between the important role of the state in securing substantive justice and the "road to serfdom".

Though the difference principle fails to justify capitalist property, it does accord an indispensable place to the market as an allocative device. Rawls draws a distinction between the allocative and distributive functions of market prices and in this way calls attention to the compatibility of free markets and public ownership of economic resources. Under socialism, the market might be used to allocate resources efficiently but never to distribute income, wealth or power in proportion to the distribution of privately held capital. In either market socialist system or property-owning democratic one (which is Rawls ideal, Rawls' ideal; Rawls borrows the phrase "property owning democracy" from James Mende, whose thesis turns on making a radical distinction between property owning democracies and capitalist welfare systems. A welfare state presupposes extreme inequalities in property ownership and involves widespread distribution of property ownership-pooled through insurance firms, investment trusts, and so on), distribution is determined politically in accord with the principles of justice. Rawls recommends the use of markets because of the advantage of allocative efficiency and because he feels that comprehensive planning tends to interfere with equal liberties and fair equality of opportunity, that is, market devices decentralize economic power and enhance free choice of occupation. But there is another, more important reason for Rawls' insistence on markets.

#### **Principles for private and socialist economies**

Rawls discriminates between private and public goods, pointing out that the quantity of public goods a society produces is a matter decided independently of the form of ownership of the means of production. Public goods are characterized by their indivisibility and publicness, that is, they are goods that cannot be, or would not be packaged separately or replaced out to individuals for purchase according to personal preference scales. Instead, they can be, or would be, made available to relevant publics without limits placed on quantities enjoyed by particular individuals. Rawls offers us as an example the polar case of national defense against unjustified foreign attack. Other examples would include clear air, public safety, lighthouse, and the like. Indeed, just about every good could be included theoretically in the public goods sector by having the state, through collective financing, provide the goods without rationing or charging consumers on an individual basis.

This is, in fact, the distributive goal set by Marxist in their vision of communist society. There is no market for goods in communist society, the market having been phased out during the transition period separating communism from capitalism. During the transitional interval, people consent to the gradual substitution of the collective provision of goods for their individual purchase in a market. This substitution would be piecemeal. Beginning with basic necessities, prices would be lowered slowly while the government notes the reaction of demand to price changes. If demand is fairly inelastic and goods no substitutable prices can be lowered to zero. The reduction of prices and their eventual disappearance would be paid for by lowering the money wages paid to individuals in exchange for their work, by substituting a social wage for an individual wage.

The Marxian strategy runs head on against the requirements of the difference principle, and this conflict between communist and Rawlsian distributive principles bring out sharply why it is that Rawls considers markets an intricate component of his theory of justice. Justice requires the market because of the distributional consequences of its allocative function. We have already seen that compensatory aspect of the difference principle calls for rewards proportional to the duration, intensity, difficulty, unenjoyability, hazardous nature and so on the different jobs. The difficulty with the extension of the public goods sector is that it impinges upon this system of proportional reward under circumstances (moderate scarcity) that demand its continued application. The increased provision of public goods interferes with giving each his or her due, as prescribed by the distributional criterion of the difference principle, and compels some individuals to subsidize the unwanted benefits desired by others while necessarily subtracting from the range of want satisfaction available to the former. This is why "all regimes will (must) normally use markets to ration out the consumption goods actually produced" such that "the output of commodities is guided as to kind and quantity by the preferences of households as shown by their purchases on the market." It follows, that Rawlsian justice requires a market in production goods as well, since consumer preferences would of necessity play a large part in determining the direction of production. Rawls says that there is no necessity for comprehensive direct planning" under socialism, but the context of his remark makes it clear that comprehensive" planning" that does not take its cue from market indicators violates the difference principle.

If the market is not used to allocate resources, individuals would be denied the opportunity to extend their merited incomes freely according to their preferences. Distribution patterned on the criterion "to each according to want and need" contrasts with distribution governed by the difference principle, that is, it violates justice.

Rawls, of course, does permit the production of public goods in a well-ordered society, but the difference principle circumscribes their nature and quantity. An exchange branch of government" arranges for public goods and services where the market breaks down," that is, in cases in which collective provision can be shown to be more pareto-optimal than private consumption. A transfer branch of government may also provide public goods to ensure the satisfaction of basic needs of those who may not fare sufficiently well from market distribution. "But once a suitable minimum is provided by transfers, it may be perfectly fair that the rest of total income be settled by the price system", assuming that it is efficient, competitive, and set against the background of institutions conducive to equal liberty and fair equality of opportunity. Rawls is careful to place limits on the provision of public goods and renders it difficult for the exchange branch to trade private for public goods.

He accepts wicksell's "unanimity criterion", which calls for near-unanimous approval of all citizens (or their representatives) on the public financing of collective goods. He points up that the criterion assumes the justice of existing distributions of income and property rights and insists that when the latter condition is satisfied. "there is no more justification for using the state apparatus to compel some citizens to pay for unwanted benefits that others desire than there is to force them to reimburse others for their

private expenses".

When Rawls denies the justifiability of extending the public goods sector beyond a certain point, he must have in mind justification in the light of just principles. It is, after all, possible to justify enlargement of that sector by appealing to moral principles other than justice. It might be argued, and Barry is open to this interpretation, that the value of community or social integration may contrast with that of distributive justice, and, in the event of conflict, should be accorded a place prior to justice. If it could be shown (empirically) that a private goods sector of any appreciable size fosters competitiveness, acquisitiveness, and isolation, as Marxist claim, that goods intended for common enjoyment "make for neighborliness and a sense of roots remind us we are one with other generations, and... give us peace in surrounding that keep the spirit whole and that the value of altruistic collaboration presupposed by a predominant public goods sector cannot long survive in a private goods economy governed by justice, then we may decide to subordinate on moral grounds the value of justice to what may take to be the morally superior ideal of common enjoyment or social integration. It is precisely consideration such as these that are responsible for the Marxist distaste of market arrangements and the strategy designed to move society beyond justice to communist community.

Rawls believes that he can elude potential conflicts of this kind by embodying in his principles of justice the value of fraternity and the idea of mutual benefit. Further, the state's accounting for basic needs outside the market is supposed to constitute an expression of community at the highest social level. Rawls sees no necessary conflict emerging between the practice of justice, which includes the right of individuals to pursue those chosen life plans (as circumscribed by just principles) and the value of community. He only wants to leave it to individuals to decide whether, within the frame-work of just principles collectively adopted and enforced by the polity, they wish to realize whatever additional communitarian aims they may have. Though Rawls' principles are not morally neutral, in a way that tolerates the cultivation and satisfaction of any and all individual ends, they do provide a defense for a pluralistic organization of society.

### Principles of individual rights

Rawls attempts to face up to communitarian objections to justice in a way similar to defenders of the practice of rights, a somewhat more encompassing concept and one presupposed by the practice of justice, Richard Flashman has addressed the recurrent strain in communitarian thinking that an emphasis on individual rights fragments human relationships in a manner and degree that renders genuine community impossible", and like Rawls, is sensitive to ways in which certain interpretations of community stand in antagonistic relation to "rights" and "justice. Matman endeavors to bring out the compatibility of individual rights with communitarian relationships. The practice of rights presuppose shared rules and judgements, enmeshes individuals in a network of social interaction, involves the acceptance of a common authority, and connects individuals through a series of mutual obligations. In all these ways the practice of rights involves participants in patterned interrelationships and interdependencies: Flatman: "The Practice of Rights).

One can doubt whether this way of alleviating the tension between the practice of rights (in practice whose utility stems from protecting individuals from each other) and community will satisfy those communitarian theorists who object to the kind of pluralistic or "liberal" society made possible in part, by such a practice. Similarly, Rawls' view that justice as fairness has a central place for the value of community" (P.264, TI) has not found a sympathetic audience in his critics, who persist in directing their fire at the individualistic or contractarian foundation of his well-ordered society. I do not wish to rehearse these criticisms here, but since they often stem from theorists of Marxist predilections, I should like to conclude by nothing that the tension between community and justice is present not only in "liberal" theory, but also in the Marxist conception of socialist justice. Marx prescribes as distributive principle for the transition period from capitalism to communism" to each according to the duration and intensity of work, from each according to ability".

### Conclusion

The main difference between Marx and Rawls is that the former is fully prepared to sacrifice justice and the market to community, whereas the latter believes that the two modes of life can peacefully coexist. Rawls, however, recognize more clearly than Marx the conceptual difficulties involved in moving beyond justice to communist society under circumstances (moderate scarcity) that require (even for Marx) the application of just principles. If there is a tension among justice. The market, and community, Marx's theory of transition fails to offer a resolution clear of internal difficulties. In this respect, Rawls is at least consistent.

### References

1. Blocker Gene H, John Rawl's. Theory of Social Justice.
2. Buchanan. Allen Marx, Justice Totawa. New Jersey, Rowman and Littlefield, 1982.
3. Gewirth Alan. Reason and Morality, Chicago, University of Chicago Press, 1978.
4. Hospers John. Libertarianism, Loss Angles, Nash, 1971.
5. Kantose Aksin. (ed): Power, Possession and Freedom: Essays in Honour of C.B. Macpherson, Tornato 1970.
6. Miller David. Social Justice, Oxford University Press 1976.
7. Runiman WG. Relative Deprivation and Social Justice Routledge & Kegan, London 1966.
8. Sandel Michael. Liberalism and limits of Justice. New York, Cambridge University Press 1982.
9. Strauss Leo. Liberalism, Ancient and Modern, New York Basic Books 1968.
10. Walzer Michael. Sphares of Justice, Basic Books 1983.