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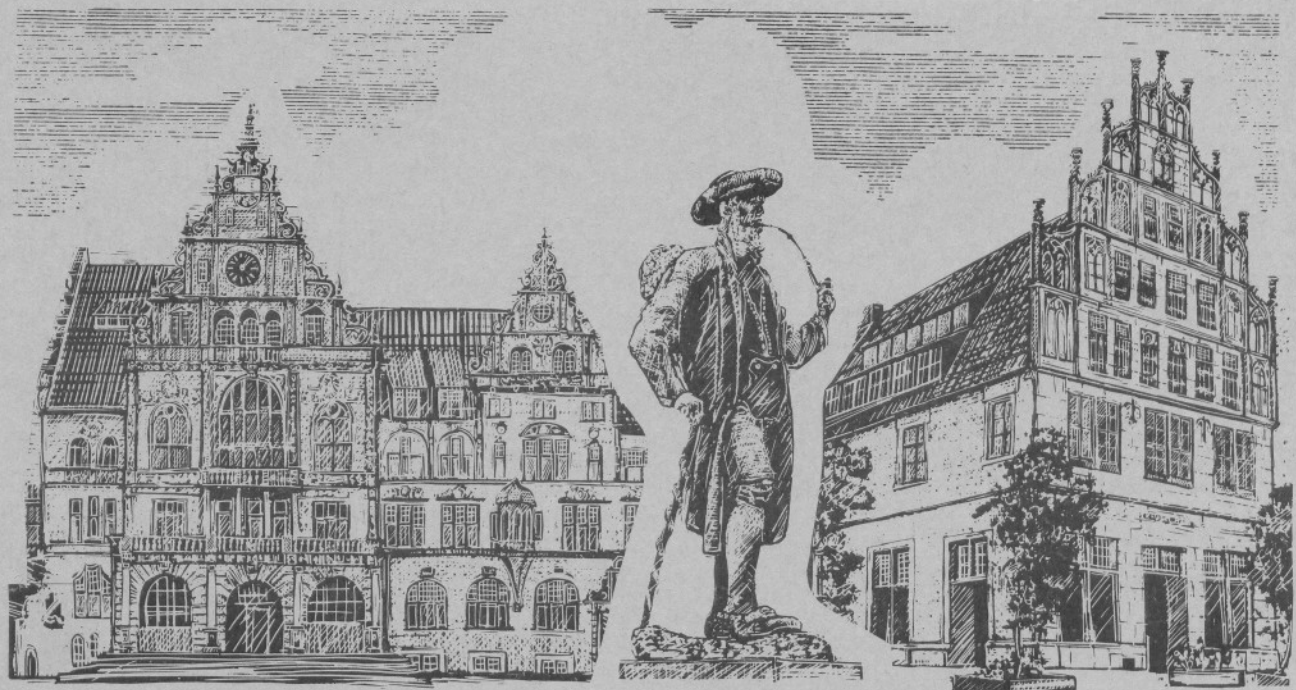
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A Further Note On Rawls's Theory

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This is a Postscript to my review article "Can the Maximin Principle Serve as a Basis for Morality? - A Critique of John Rawls's Theory" (Working Paper No. CP-351, Center for Research in Management Science, University of California, Berkeley, California 94720. Copies are available on request.) Since this paper was written in May, 1973, John Rawls has tried to answer some of my criticisms in a paper entitled "Some Reasons for the Maximin Criterion" (American Economic Review, Papers & Proc., May 1974, pp. 141-146). His defense to the counterexamples I have put forward against using the maximin principle as a moral principle (in Section 3 of the preceding paper) is that "the maximin criterion is not meant to apply to small-scale situations, say, to how a doctor should treat his patients or a university its students. ... Maximin is a macro not a micro principle" (p. 142). Regretfully, I must say that this is a singularly inept defense.

First of all, though my counterexamples do refer to small-scale situations, it is very easy to adapt them to large-scale situations since they have intrinsically nothing to do with scale, whether small or large. For example, instead of asking whether a doctor should use a life-saving drug in short supply for treating patient A or patient B, we can ask whether, in allocating scarce medical manpower and other resources, should society give priority to those patients who could best benefit from medical treatment, or should rather give priority to the most hopelessly sick patients - - a policy problem surely affecting several hundred thousand individuals in any major country at any given time. Or, again, instead of asking whether scarce educational resources should be used for the benefit of individual A or individual B, we can ask whether, in allocating educational expenditures, society should give priority in certain cases to several hundred thousand highly gifted students, who could presumably benefit most, or to several hundred thousand seriously retarded individuals, who could derive only minor benefits from additional education, etc. I am really astonished that a distinguished philosopher like Rawls should have

overlooked the simple fact that the counterexamples I have adduced (and the many more counterexamples one could easily adduce) have nothing whatever to do with scale at all.

In fact, it would be a priori rather surprising if, at the most fundamental level, the basic principles of morality should take different forms for large-scale and for small-scale situations. Does Rawls seriously think that there is a certain number x , such that a situation involving more than x people will come under moral principles basically different from a situation involving less than x people? In any case, what moral considerations will determine this curious boundary number x itself? More fundamentally, what are the basic logical reasons that should make large-scale and small-scale situations essentially different from a moral point of view? I cannot see how anybody can propose the strange doctrine that scale is a fundamental variable in moral philosophy, without giving credible answers to these questions at the same time.

I have argued that in most situations Rawls's theory will have much the same policy implications as utilitarian theory does, but that there are some important situations where this is not the case. Moreover, I have tried to show that, in those situations where two theories do have quite dissimilar policy implications, Rawls's theory consistently yields morally highly unacceptable policy conclusions whereas utilitarian theory consistently yields morally fully acceptable ones (Sections 3 and 4 of the preceding paper).

Arrow has expressed a similar view [Journal of Philosophy, vol. LXX, no. 9, May 1973, p. 255]. After saying that in the real world the maximin principle and the utilitarian principle would have very similar practical consequences, he adds: "... the maximin principle would lead to unacceptable consequences if the world were such that they [these consequences] really differed". My only disagreement with Arrow is that I think the world is in fact so constituted that these two principles do have very different practical consequences in some important cases. (In effect, in some parts of his paper, Arrow himself seems to admit that much --

pp. 251-252.) But we do agree on the main point, viz. on the conditional statement that, if such differences exist, then they all speak very strongly against the maximin principle.

In my opinion, if this criticism is valid, then it completely disqualifies Rawls's theory as a serious competitor to utilitarian theory. (Why should anybody choose a theory that often does much worse, and never does any better, than utilitarian theory does ?) For this reason, I find it rather unfortunate that Rawls's paper does not even try to answer this criticism at all.

To be sure, the maximin principle does have its valuable uses, and we must be grateful to Rawls for calling our attention to it. Even if it cannot serve as a basic principle of moral theory, it can be used as a principle of approximate validity in practical applications, such as the theory of optimal income distribution or of optimal taxation. In such applications, its relative independence of detailed interpersonal utility comparisons, and of the actual mathematical form of people's von Neumann-Morgenstern utility functions for money, is an important advantage, and can be fruitfully exploited in economic studies [cf. Arrow, op. cit., p. 259].

Of course, from the point of view of a utilitarian observer, the results of a study of, e.g., optimal income tax rates, based on the maximin principle, will have only approximate validity. For example, if the study finds that, owing to the disincentive effect of very high marginal tax rates, the marginal income tax for the highest income group should be (say) 50 per cent, then a utilitarian observer can infer that this tax rate should certainly be no more than 50 per cent. Indeed, he can infer that, if the study had been based on the average utility principle instead of the maximin principle, then the marginal tax rate at the top would have come out presumably a little lower than 50 per cent, though perhaps not very much lower. (Sensitivity analysis may even enable us to estimate the actual percentage points by which studies

based on the maximin principle are likely to overestimate the optimal tax rates for various income groups.)

It is regrettable that Rawls has ever made the untenable claim that he is proposing a moral theory superior to utilitarian theory. This claim can only obscure the practical merits of the maximin principle as an easily applicable postulate of approximate validity. These practical merits of course do not in any way provide a reason for abandoning utilitarian moral philosophy. (Basic philosophical principles must be exactly right, and not merely approximately right.) But they do provide a reason, even for a utilitarian moral philosopher, to use the maximin principle as an admissible approximation in many cases. Had Rawls only made this more modest, but much more realistic, claim for the maximin principle, few people would have contradicted him.

One thing that all of us must have learned in the last fifty years is the fact that we must never commit ourselves seriously to moral principles or political ideologies that are bound to lead to morally utterly wrong policies from time to time - - however great the advantages of these principles or ideologies may be in terms of administrative convenience, ease of application, and readier understandability.

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