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## **Scarcity or Sufficiency? Methodological Difficulties in the Debate of Economic Equality**

*The problem of economic equality remains at the center of public debate. As Harry Frankfurt suggested in his seminal paper, the solution to this issue could be based on the principle of sufficiency that is achieved when a person feels satisfied with his economic situation. He contrasts this approach to arguments from scarcity, presented by Ronald Dworkin, who draws attention to people in desperate conditions. However, Frankfurt's position is liable to criticism, especially from methodological perspectives. An alternative to his and Dworkin's suggestions should be sought in Kantian (deontological), rather than utilitarian approach.*

**Keywords:** economic equality; Harry Frankfurt; Ronald Dworkin; utilitarianism; deontological ethics, "trolley dilemma."

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## **Нищета или Достаток: Методологические сложности споров об экономическом равенстве**

*Проблема экономического равенства является одной из наиболее актуальных тем в современной этике. Гарри Франкфурт считает, что ключом к решению этой проблемы является введение критерия достаточности — в соответствии с тем, что индивид полагает достаточным уровнем благосостояния для него. Он противопоставляет этот подход позиции Рональда Дворкина, основанной на объективном состоянии обнищания. Однако подход Франкфурта не выдерживает критики — особенно с методологических позиций. Альтернативой может служить решение, основанное на принципиально иной методологии, в данном случае деонтологической этике.*

**Ключевые слова:** экономическое равенство, Гарри Франкфурт, Рональд Дворкин, утилитаризм, деонтологическая этика, дилемма вагонетки.

1.

The problem of economic equality has long been a hotly discussed issue in philosophic discussions, as well as in social and economic debates. One of the most interesting and influential contributions to this topic came from Harry Frankfurt [1]. He states that economic equality is not a compelling moral principle in its own right, as neither is the importance for everyone to have the same. What is important is for everyone to have enough [1:21].

He uses various arguments in support of this statement, including a few long known in philosophical debates. For instance, it is often argued that egalitarianism leads to a conflict between equality and liberty: “if people are left to themselves, inequalities of income and wealth inevitably arise, and therefore an egalitarian distribution of money can be achieved and maintained only at the cost of repression” [1:22]. More importantly, when people get overly concerned with the issue of equality it diverts them from what they should really be concerned with and what would satisfy their real needs and aspirations. In this way, economic equality becomes a secondary issue compared to more fundamental considerations.

One of the main targets of Frankfurt’s criticism is the principle of diminishing marginal utility. It claims that the utility of money diminishes at the margins, or to put it simply, people would first buy most important things to satisfy their most important needs, so what they buy next is less important to them and therefore is of less value. Thus, the more money people spend the “cheaper” it is. Any economic disparity between two persons leads to the money’s diminished value compared to what it could be with equal distribution; giving the rich person’s “cheap” money to the poor increases its value, because the latter can now buy things that would be of bigger value to him than to the rich person.

Frankfurt calls into question this principle in various ways; he even puts under doubt money’s ability to diminish in value in principle. He points at the “protean” capacity of money to bring satisfaction in many ways, providing a person with new types of pleasure different from what the “earlier” money brought to him. For instance, something may be unpleasant to a person at first, but a repeated experience might give him a better taste of the product, and when he develops an “addiction” for

it his pleasure will be much greater than before. In this case, the value of money eventually grows greater than at the beginning, which clearly contradicts the theory of diminishing marginal utility.

His another argument comes from the practice of saving. A person saves to buy a certain product that brings him a satisfaction greater than what he could have had spending money on less expansive goods. In this case, the last amount of saved money is of greater value than the previously saved - in clear contrast to the idea of diminishing marginal utility. Or, with an extra amount of money, a person can buy something that greatly increases his satisfaction from things already available to him (for instance, a popcorn lover who can now afford buying butter, as buttered popcorn enormously increases his enjoyment from this product).

These examples make it obvious that an egalitarian distribution may fail to maximize the aggregate utility, which is unacceptable since it goes against the very principles of utilitarianism.

Another line of argumentation Frankfurt explores deals with situations where equal distribution leads to undesirable outcomes because of shortage of resources. For instance, with the population of ten, where five units of the resource are needed for everyone to survive while only forty units of the resource are available, we would have to give only four units each — following the equal distribution pattern. This would lead to the extinction of the group. Thus, under the condition of scarcity an egalitarian distribution is morally unacceptable. The correct response to scarcity would be distributing the resource unequally — so that as many people as possible had enough of it. This way, at least part of the population would survive. This also refutes the idea that where some people have less than enough, no one should have more than anyone else. Further, it proves false the statement that where people have less than enough, no one should have more than enough. All these objections, in Frankfurt's view, drastically undermine the idea of egalitarian distribution.

Frankfurt directs sharp criticism at those who argue that economic inequality is wrong because it is unjust. In his view, their position is based not as much on the principle of justice as on emotions, or the sympathy for those who have too little. This trick becomes evident with a closer look at the argument. A typical example Frankfurt finds in Ronald Dworkin's works where he refers to poverty in support of his ideal of economic justice [2:206]. But what Dworkin really proves is merely the fact that watching someone not to have enough for a decent life is a morally disturbing experience, which brings us back to the principle of sufficiency and its primary importance.

Finally, Frankfurt discusses the “fundamental error” of egalitarianism, or the idea that “it is morally important whether one person has less than another regardless of how much either of them has” [1:34]. One source of this error lies in the assumption that people with less income have more unsatisfied needs. This error makes, for instance, Thomas Nagel in his interpretation of John Rawls’s “Difference Principle” as giving preference to most urgent needs [3:106–128]. Frankfurt objects that it is not the urgency of needs that is favored by Rawls, but it is people who are identified as worse off are given priority. Nagel illustrates his position with a family with two kids, one healthy and one handicapped, deciding whether to move in the city or stay in the suburbs. The latter option better benefits the healthy child while moving in the city would mean a great improvement in medical support for the sick boy. The preference should favor the interests of the handicapped kid because of the urgency of his needs. However, Frankfurt says that this line of reasoning, though it looks correct, is in fact wrong as in reality we choose not the kid in more urgency, but the kid whose condition is downright miserable. In other words, we choose him because he does not have enough in terms of health and medical support.

Now, the only question Frankfurt needs to answer is what does it mean to “have enough?” He claims that the threshold of sufficiency is reached when someone meets a certain standard of having enough like when someone says “That should be enough.” “To say that a person has enough money means that he is content, or that it is reasonable for him to be content, with having no more money than he has” [1:37]. It does not mean, however, that the standard of sufficiency is restricted to having barely enough, as Frankfurt points that “people are not generally content with living on the brink” [1:38]. There are certain types of circumstances, he notes, in which the amount of money a person has is enough; first, when an individual has no serious troubles with the way his life is going; second, when whatever problems one has, they cannot be alleviated by more money, for instance, when someone has a strong, but unanswered affection for another person. Of course, hardly anyone would mind having more money, or even to “sacrifice certain things he values (e.g. certain amount of leisure) for the sake of more money” [1:39]. However, when a person does not care to go the extra mile to make more money, it means that more money is inessential to his being satisfied with his life.

2.

Some of Frankfurt’s arguments are undeniably strong. The idea of economic equality shouldn’t be exempt from criticism or accepted as

an indisputable ideal of social evolution. In this respect, Frankfurt's approach deserves being endorsed and supplemented with more arguments.

For instance, a utilitarian approach allows adding more illustrations to the reasons mentioned by Frankfurt in his opposing to an egalitarian distribution. For example, it seems that people have intuitive understanding that unequal distribution is something that benefits, rather than disadvantages the majority of the population. It is clear not only from the fact that any reasonable person would prefer a state of affairs where everyone gets what he deserves to the situation where everyone has the same. Normally, people can live happily without holding grudges against richer individuals unless their income and living conditions become drastically bad. It appears that people accept the idea that there is an element of fairness in social and economic inequality, and that any large-scale rearrangement of the social system and social hierarchy would be too costly.

People might also prefer having around individuals with significant resources and with the ability to use them efficiently thereby benefiting the entire society. Governments alone cannot serve all public needs and solve all social issues, however socially oriented they might be. They simply do not have enough money for that. When a significant number of private individuals have substantial assets free from consumption needs they might use it for ambitious projects, commercial, artistic, or academic, that will eventually open new perspectives, goods, or enjoyments for larger groups of the society. It is the common truth that a fair competition brings better services and lower prices. Any monopoly on wealth, whether the monopolist is a government or a medieval tyrant, puts society's progress and prosperity in danger. An equal distribution might be no better, as it denies society large resources needed for costly and socially important projects (health care, roads, and so on).

This discussion leads to another argument against equal distribution, one that points at possible "abuses" coming from following this theory blindly. Frankfurt mentions the popular argument of the close connection between equality and poverty, but we can look at this issue at a bit different angle. When equality leads to poverty? The answer is: if the principle of equal distribution is followed religiously it denies the most talented and entrepreneurial-minded groups and individuals any material incentives (as well means) for starting ambitious and promising projects. The key word here is "religiously". Any idea when followed and implemented to the letter inevitably turns into an ideology, and any

ideology - again, being followed to the letter — generates fanaticism and disregard for individuals' needs and concerns. The history of communist regimes provides us with striking examples of poverty and fanatical beliefs going hand in hand.

3.

The list of arguments in support of Frankfurt's claim for not considering equality as a moral ideal can go on and on. It does not mean, however, that his arguments in favor of the principle of sufficiency are flawless. At least two serious objections could be raised against them.

The first one is of methodological nature and applies to a number of arguments of the same kind. Frankfurt uses a hypothetical example of a group with insufficient resources to maintain the lives of everyone. Suppose, the size of the population is ten, a person needs five units of resources to live, with only forty available. Equal distribution leads to the extinction of the entire population, therefore we should choose eight people to survive, while the remaining two would die. In this case, we have to abandon the principle of equal distribution in favor of distributing goods unequally so we could save as many people as possible. However, this kind of example is hardly appropriate for moral debates as it switches the area of discussion from ethical problems to something very different. Arguing that the ideal of equality as such is not of a "compelling moral significance" presupposes staying within the limits of moral debate. Yet referring to a situation where the main goal is a group's survival clearly crosses them.

The simplest example to illustrate this would be a self-defence situation, which allows — both legally and "morally" (quotation marks seem to be mandatory in this case) — significant liberty in how far a person can go in order to protect oneself. Apparently, this kind of dilemma goes well beyond normal moral routine. For instance, no one would argue seriously that victims should let themselves get killed instead of killing their attackers. The principle that making sacrifices for others is morally commendable obviously is not applicable here.

Another example, popular in ethical discussions, especially in "trolley problem" debates [4, 5, 6, 7], describes hypothetical cases where we must decide how many human lives to be sacrificed in "the most ethical manner." Typically, it is a couple of innocent lives that must be sacrificed to save the population of a big city. Apparently, trying to make up and solve any dilemma of this type is nothing more than exercising in frivolous things. It seems obvious that when lives of many people are at stake,

any sorts of moral duties should step aside giving way to the urgency of survival, just as it happens in self-defence cases.

Frankfurt says that equal distribution, if it leads to the extinction of a group, is immoral. Indeed, a person in charge of deciding who will live and who will not faces a horrifying dilemma. But his sense of guilt, or any other morally charged feeling, would be only an “epiphenomenal” element, not crucial to the choice he has to make. Inferring that equal distribution in this case is morally wrong is incorrect. Distributing resources equally would surely be wrong, but not for moral reasons. Preserving lives is a task that goes beyond the limits for moral judgement. A case reverse to the discussed one would be when an outstanding surgeon saves lives day after day, without having any sympathy for his patients and being driven solely by greed and ambition. Would we prefer him being more compassionate, but botching more surgeries? Of course, not.

4.

Frankfurt’s distinction between having less and having too little leads, apparently, to the conclusion that what society should really be concerned with is the problem of scarcity. He criticizes some supporters of economic egalitarianism claiming that their arguments defend equality based on arguments from scarcity. For instance, Ronald Dworkin says that America falls short of achieving the ideal of equality, and in support of this claim he refers to the fact that many Americans are unemployed and others earn wages far below the poverty line [2:208]. However, using an argument from poverty in support of equality simply changes the subject. Actual poverty calls for implementing better social policies - until the poor reach the level of sufficiency. Nevertheless, it does not make a case for setting economic equality as a primary goal. Dworkin appeals to our compassion for the unfortunate and indigent, but our feeling bad for them is not a sufficient reason for making everyone equal in income and wealth.

Frankfurt believes that people who have enough are normally not concerned with having more. “In other words, if a person is (or ought reasonably to be) content with the amount of money he has, then insofar as he is or has reason to be unhappy with the way his life is going, he does not (or cannot reasonably) suppose that money would-either as a sufficient or as a necessary condition- enable him to become (or to have reason to be) significantly less unhappy with it.”[1:37–38]. He offers two criteria for determining whether a person has enough or not. The first one involves situations when someone says, “That should be enough.” When a thirsty person drinks water until he satisfies his need and does not want any more fluid, it means that a certain standard or requirement has been

met, or a limit has been reached. The second criterion determines the situations where people do not have enough, especially when the shortage of necessities makes them suffer. "People are not generally content with living on the brink." [1:38]. At first, it seems that these criteria are solid, all what society needs to do is to take people out of the "living on the brink" condition and raise them to the level where the standard of sufficiency is met.

First, it should be noted that Frankfurt clearly contradicts himself. Just a moment ago, he was claiming that the diminishing marginal utility principle is false, and now he suggests the criteria of sufficiency which is obviously in full harmony with this principle. If with each increment in the amount of money an individual has its value tends to diminish, then at some point he becomes satisfied with how much he has accumulated and stops trying to earn more. Therefore, if a person says, "that's enough," then the principle of diminishing marginal utility is right. From this, it follows that economic equality does make sense if we want to increase the total wealth of the population.

Second, Frankfurt's argument is erroneous methodologically since it is based on a situation of desperate need: "living on the brink" argument is obviously of this category. Here we are back to the objection from self-defence. Therefore, the second criterion cannot apply to moral claims, simply because morality is irrelevant to cases where individuals are fighting the threat of starving to death or other life-threatening perspectives.

5.

Could there be a middle ground between the extremes of denying the idea of economic equality of any moral value or making it the highest priority? First, it is worth mentioning that the idea of equality may, and does draw on fundamental ethical principles, and there is no need for any restrictions in this respect. Second, it is hard to deny that equality, whether economic or political, is something desirable for society and comes in one "package" with the general principle of social fairness. Third, the idea of absolute equality based on radical redistribution of wealth and benefits must be excluded from the discussion. In other words, the moral significance of economic equality can be founded on a firm basis, without running into typical arguments against it, including the popular criticism from poverty as its inevitable consequence. Intuitively, it appears that ethics and moral values cannot be separated from the idea of equality in either of its forms — political, economic, or any other.

Even more importantly, Frankfurt's (strictly utilitarian) logic leads to an impasse of relativism where only personal perceptions matter. This



wouldn't seem that bad, weren't we aware of the situations typical to totalitarian regimes where the large majority of people are always happy with their lives while living in condition of poverty and starving. Obviously, the problem in hand requires a different approach.

The ideal of equality (including economic equality) can be inspired, for instance, by the family type of relationships where the principle of mutual support and care is of primary significance. Better expressed in Kantian than utilitarian terms, this principle constitutes a duty to care of family members, which is accompanied with feelings of love and compassion. It can also prompt a sense of guilt — if a family member is in a desperate state and there are no resources available to improve it. We call this moral principle “the equality in sympathy”, and it requires treating fellow human beings as family members, close or less close, or as someone with the right to count on our sympathy and support. It also throws a different light on Nagel and Dworkin's arguments. Their appeal to conditions of scarcity makes much more sense from this perspective, unlike when it is viewed along utilitarian lines.

One might say that this argument is liable to the same objection from relativity as Frankfurt's position. The answer is that objectivity is achieved here through the power of public opinion, which in one way or another, whether it appeals to religious ethics or economic studies [8, 9, 10, 11], motivates society to help the less fortunate.

Paradoxically, we should mention, subjectivity of the feelings of satisfaction and dissatisfaction is very “objective.” “Living on the brink” may merely mean living at the lower strata of an affluent society, e.g. being in fact a rather prosperous person. Since every society has its lower strata, it necessarily has a group deeply unsatisfied with their condition. Their subjective feeling of economic hardship (however ridiculous it might seem to members of another, less well-off, society) is in this sense quite objective. (Some aspects of the stratum-dependant mentality are shown by Jerome Karabel in his brilliant study of the history of Ivy League admission strategies [12].)

This approach falls into the category of weak principles of equality (as different from the radical economic equality), and it puts pressure on society to take care of people in desperate economic situation — specific criteria for this condition should be decided by public debate. Most importantly, this approach makes redistribution of wealth morally necessary — as it is morally necessary for a family to help the younger or less successful. In this interpretation, the principle of redistribution overrides other principles and objections, including the “forced labor” argument.

At the same time, it doesn't require full equality in income and wealth. Moreover, the family approach can serve as a powerful argument against demands for full equality: since redistribution of wealth to the degree of full equality is something very rare and cannot be a norm even within a family, there are even less reasons to extend it to the entire society.

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