

Documento de Trabajo N° 65

**A Political Constitution of the Invisible Hand?
Property, Community, and the Accomplishment of
Republican Freedom in Market Societies.***

David Casassas

Julio 2008
ISSN 1668-5245

* This text has been written under the auspices of Research Project HUM2005-03992/FISO, funded by the Spanish Ministerio de Educación y Ciencia and FEDER. I am very grateful to María Julia Bertomeu, Simon Birnbaum, Antoni Domènech, Jordi Mundó, Daniel Raventós and Julie Wark for their illuminating comments. The arguments I present here have also benefited greatly from the feedback I received as a visiting fellow at the Hoover Chair of Economic and Social Ethics (Université catholique de Louvain, Belgium) and the Centre for the Study of Social Justice (University of Oxford).

Ponencia presentada en el *Congreso Anual de la Association for Legal and Social Philosophy (ALSP)* (Dublín, junio-julio de 2006) & Working paper 167, *Hoover Chair of Economic and Social Ethics*.



Introduction: Republicanism and Social Justice in Contemporary Political Philosophy

What interest might a republican approximation to the question of social justice have? Does the republican tradition include conceptual and analytical elements that equip it to apprehend in any particular depth matters pertaining to social justice? This essay is born of the conviction that the republican tradition takes up essential issues through which we might comprehensively understand freedom – and threats to it. In effect, republicanism addresses questions that many of the ideal theories born in the wake of John Rawls either *cannot address* for methodological reasons or *opt not to address* for reasons of both method and substance.

In this paper I start from the assumption that republicanism

- 1) is articulated around a *sociology of domination*, which inherently forms part of its attempt to approximate a substantive notion of freedom;
- 2) that it is also based on a *sociology of political institutions*, which makes it perfectly aware of the danger that if the political institutions that are designed to promote this freedom degenerate into an administrative apparatus consisting of a network of dense and unmanageable professionalised bureaucratic strata and sinecures of power, they end up completely disconnected from, and in opposition to, civil society, which then collapses; and
- 3) that it embraces as its own a description of human cognitive architecture that produces an interesting motivational pluralism permitting both
 - a) consideration of individuals' self-interest, including the logic of incentives associated with them, and
 - b) the observance of an idea of a *community of equally free individuals*, individuals whose identity depends precisely on the enjoyment of the rest of a social status that makes them *also free* and hence, and up to a point, *fellow citizens*.

These three elements – sociology of domination, sociology of political institutions and motivational pluralism – provide us with a privileged theoretical perspective from which to approach certain debates that have opened up at the core of contemporary social theory and moral and political philosophy. These are issues that also pulse in the foundations of certain emancipatory-tending discourses that echo, to a greater or lesser extent, in today's public spaces. For this very reason, it would be a good thing to see them being weighed up in the arena of political philosophy.

Yet we might ask ourselves, whether it is really necessary that we should consider the *underlying sociologies* the republican tradition has always included in its analysis in order to construct informative notions of freedom and autonomy and, hence, even of neutrality. Do the "ideal theories" that characterise egalitarian liberalism rest on schemes that are capable of assuming all these socio-institutional concerns, and that do so in a more simple and economical or parsimonious way? Or, on the contrary – the case of Rawls's later works might be highly revealing here – can we even say that the evolution of egalitarian liberalism from 1971 onwards has implied, at least to some extent, growing consideration for these *underlying*



republican sociologies and, consequently, some kind of approximation to the normative axis of the republican ideal?

As might be noticed, these questions spur us on, not only in the task of analytically outlining (the substance of) essential concepts like those of freedom, neutrality, community or self-interest, but also in addressing the (essentially methodological) question about the need – or otherwise – of anchoring these concepts in some of the findings of the positive sciences that are close to political philosophy. It is true that these results might eventually make political philosophy a more contingent, or less ideal discipline; but, might it also be true that they could make it more substantive? Needless to say, the answers to these questions could be determinant in the light they shed on the way we must go about addressing the problems of social justice that are caused by the social forces that shape contemporary capitalism.

This paper concerning the space of republican freedom in today's market societies takes off from affirmative answers to the questions formulated above. I shall suggest that the republican tradition offers a point of view that succeeds in distilling essential notions in the domain of moral and political philosophy with particular insight and conceptual depth because it departs from the assumption that individuals are agents that operate within a socio-institutional framework or, in other words, because it grapples with the fact that the question of freedom, of self-government and the condition of citizenship "is visible only when individuals are conceptualised within a context of social relations and institutions". (Pateman, 2006: 115).

In other words, republicanism constitutes a highly demanding tradition of thought. But it is important to notice that, in its exigency, it is especially concerned with the definition of freedom itself. In effect, what is needed is thoroughgoing consideration of the *underlying republican sociologies* when it comes to conceptualizing freedom. In other words, unless political-institutional action is taken to eradicate the relations of domination that republicanism detects, and unless the necessary mechanisms are introduced for dealing with possible degradation of political institutions, any attempt to make the idea of effective freedom become reality will be doomed to failure.

This essay aims to explore seven questions, the analysis of which I shall present as linked. Each and all of the points I shall examine are important pieces in what I hope is an analytically rigorous and comprehensive attempt to provide a precise response to the central issue raised in the text: what are the conceptual requirements for articulating a notion of republican freedom that might have a place, and that could be operative within market societies?

First, the socially endogenous character that liberty acquires under the auspices of republicanism will be highlighted. Second, I shall look at the sense in which it is necessary to include under the heading of republicanism the notion of "civil society", this being the space where republican freedom becomes effective. Third, the main threats to civil society that republicanism detects will be presented. Fourth, I wish to explore the consequent notions of neutrality and tolerance that republicanism contemplates. Fifth, the implications of managing this idea of neutrality when it comes to conceiving the intervention of public authorities in social life will be shown. More precisely, I shall sustain that, under certain conditions, conceiving of markets as *potentially republican institutions* could take on the best of senses. In fact, my basic aim with this article is to discuss the market as a social institution that permits a wide range of institutional designs, the nature of which would be in keeping with a specific ethical-political option. In this regard, I wish to focus on the possibility of introducing political measures aimed at reinforcing a sphere of autonomous social existence and material independence for all the individuals in a society as an option that is perfectly compatible with



the articulation and reproduction of a commercially-based social order offering the benefits of a decentralised assignation of *certain* goods and resources without this eroding the individuals' social position as free economic actors who are able to enter into contracts freely and voluntarily. The previous analysis – in Sections One to Four – of the republican conception of civil society, and of freedom and neutrality – without dodging the thorny question of moral perfectionism – will appear here as an important standpoint in order to present this line of argument as clearly as possible. In brief, in addressing these issues in Section Five, I shall situate this paper within the domain of contemporary republicanism, and in relation with Philip Pettit's more recent work in particular, in trying to give a clear account of the relationship between the market and a republican order. Sixth, I shall discuss the importance of politically sustaining a *community of fellow citizens* in order to buttress these markets (once they have been properly designed) as social institutions that are *compatible with* – and even *causative of* – a republican social and political order. Finally, seventh, I shall conclude by examining why republicanism, understood in the way it is presented here, constitutes in itself a true *political economy* whose normative dimension makes it possible to respond to the main questions pertaining to social justice by offering clear and informative criteria and guidelines for the introduction of the necessary institutional devices for extending the scope of republican freedom in present-day market societies.

In this essay I shall refer to several passages taken from the work of Adam Smith in order to illustrate more precisely the sense of the postulates I shall be formulating. Using the work of Adam Smith as the backdrop to this study is particularly interesting in the development of my arguments for two basic reasons. First, Adam Smith's work (with the particular language and aspirations of his eighteenth-century Scottish milieu) forms part of the main body of the intellectual and political republican tradition that unites the thought of Aristotle and Cicero with that of Machiavelli and thence – and here I would stress the Atlantic side (Pocock, 1975) – with that of Harrington, Milton and, finally, what is known as the Scottish Historical School¹. Second, and above all, Adam Smith's work, which was being written in the dawning years of the “great transformation” that eventually gave rise to the market societies we know today, offers a number of especially revealing clues for understanding the nucleus of the republican tradition: its focus on *property*. Adam Smith's essential concern for the spheres of production and exchange is permeated at all times by an axiology that is proper to the republican tradition, the central, constitutive feature of which is the priority given to the question of *property* – of material independence – in order to understand and foster a notion of liberty that aims to be full of substantive content.

In effect, Adam Smith viewed the market – or rather *markets, certain markets* of politically designed features – as a social institution that *can* nourish encounters between free and civilly independent, and hence *fellow* individuals, encounters that *can* ensure (1) the improved conditions of life that all human beings aspire to, and (2) that such material improvement occurs in a plural, diverse but *in no case socially fractured* community. This is why it must be stated that Smith's political-normative option points to a *commercial republicanism* that is articulated around the affirmation of notions of *property*, on the one hand (property understood here as the material independence upheld by the republican tradition) and, on the other, *community*, the conceptualisation of which is at all times freed from the encumbrance of the influence of comprehensive doctrines.

The conceptual tools and postulates used by Adam Smith himself are of great interest for re-examining certain debates that are occurring in contemporary political philosophy. First,

¹ For a study of the republican roots in Adam Smith's thought, see Casassas (2005).



the motivational pluralism that is characteristic of Smith's reflections encourages critical evaluation of conceptual tensions that are frequently generated by assumptions about human behaviour that are used today in the field of political philosophy. These assumptions tend to be highly restrictive or unidirectional, either supposing individuals to be irremediably self-interested or exhorting them to become real universal benefactors. Second, Smith offers conceptual elements that enable us to understand clearly why freedom and (relevant degrees of) equality are not only compatible but need one another. In keeping with the key idea of the republican tradition, Smith sustains that marked inequalities and, with them, poverty are the source of dependence and hence of unfreedom. I think these reasons are sufficient for justifying my borrowing of several claims that Smith makes in his work so that I might shed more light on the analysis and postulates that will follow².

1. The Earthly Nature of Republican Freedom

I shall begin by citing a passage from *The Wealth of Nations* where Adam Smith makes an indirect reference to the *Great Fire* of London on 2 September 1666, which devastated four fifths of the city and, one century later, was movingly described by David Hume in his *The History of England*³. What matters here is that Adam Smith's passage makes reference to fire in terms that hide deep ethical and political meaning. When it comes to justifying the control of the issue of bank notes, which he prescribes, Smith makes a short digression and expresses himself thus:

To restrain private people, it may be said, from receiving in payment the promissory notes of a banker, for any sum whether great or small, when they themselves are willing to receive them; or, to restrain a banker from issuing such notes, when all his neighbours are willing to accept of them, is a manifest violation of that natural liberty which it is the proper business of law, not to infringe, but to support. Such regulation may, no doubt, be considered as in some respect a violation of natural liberty. But those exertions of the natural liberty of a few individuals, which might endanger the security of the whole society, are, and ought to be, restrained by the laws of all governments [...]. The obligation of building party walls, in order to prevent the communication of fire, is a violation of natural liberty, exactly of the same

² The original sources I have consulted are those published, under the supervision of D.D. Raphael and A.S. Skinner, in *The Glasgow Edition of the Complete Works and Correspondence of Adam Smith* (Oxford University Press & Liberty Fund, 1981-1987). The abbreviations used are as follows: *WN* refers to *An Inquiry into the Nature and Causes of the Wealth of Nations*, and *TMS* to *The Theory of Moral Sentiments*.

³ Hume says, "While the war [against the Dutch] continued without any decisive success on either side, a calamity happened in London which threw the people into great consternation. Fire, breaking out in a baker's house near the bridge, spread itself on all sides with such rapidity, that no efforts could extinguish it, till it laid in ashes a considerable part of the city. The inhabitants, without being able to provide effectually for their relief, were reduced to be spectators of their own ruin; and were pursued from street to street by the flames, which unexpectedly gathered round them. Three days and nights did the fire advance; and it was only by the blowing up of houses that it was at last extinguished". Hume, "the most illustrious philosopher and historian of our times" (*WN*, V, III, III), adds, "The causes of this calamity were evident. The narrow streets of London, the houses built entirely of wood, the dry season, and a violent east wind which blew" (Hume, 1856: 50).



kind with the regulations of the banking trade which are here proposed. (*WN*, II, ii, 94)

What is Adam Smith suggesting here? To begin with, and in keeping with the axiological framework and the vocabulary of the world in which he lives, heir of the left-wing of the natural law tradition (Tuck, 1979), Smith observes that freedom, like the fire, is “something natural”. This is why it makes sense to question any action that is geared to controlling “natural liberty”, in this case that of the bankers to do what they might wish to do in their own sector.

Nonetheless, if this “natural liberty” is concentrated in the hands “of a few individuals” in an *inappropriate* way, it might endanger “the whole society”. This is why republicanism has established without exception that legitimate public authorities must politically intervene – with well-considered and agreed-upon (non-arbitrary) measures – to prevent such *inappropriate* concentrations of “natural liberty”, such concentrations of “power” or, as contemporary sociologists in the wake of Walter Korpi (1998) say, such concentrations of “power resources”.

Republicanism, then, unlike doctrinaire liberalism⁴, which was codified during the nineteenth century, and also unlike the central postulates of neoclassical economics, denies that social life is a politically neutral space or, in other words, a space without power relations wherein social actors limit themselves to signing contracts freely and voluntarily. In effect, the republican view of social life is one of a world that is split into classes and that is rigidly compartmentalised into strata or ranks, the distinctions between which have social and historic – institutional – origins that are both *determined* and *determinable*, hence the revealing title of the book (written with profound historical and sociological consciousness) by Adam Smith’s leading disciple, the historian John Millar: *The Origins and Distinctions of Ranks*⁵. Thus, the republican tradition constantly assumes that social life incorporates significant – determinant – asymmetries of power and that it is necessary to go about dismantling them for the good of “society as a whole”.

Liberty, then, might be called “natural” but it is not exogenous to social life – or pre-social. It is endogenous. It is achieved and maintained *by political means*, in the bosom of social life, at the heart of a space in which *firewalls* have been erected in order to check social domination, and where a “society” that is truly “civil” might come to be constituted. The historical republican tradition has called upon men and women, who have very diverse motivations, to conquer for themselves, in *earthly* terms, individual and political freedoms by undertaking an *earthly* socio-institutionally framed struggle. In effect, the diverse and socially exigent attributes of freedom, along with the possibilities for its juridical enshrinement within a structure of constitutive rights, do not proceed from divine providence or from a structure of desires that is intrinsic to our nature as an immutable set, but rather they are achieved

⁴ It might also be advisable to say, “unlike the *greater part of the liberal tradition*” if it is true, as David Miller suggests, that a liberal conception of life sees citizenship “as a set of rights enjoyed equally by every member of the society in question”, to which he adds, “although citizens enjoy equal political rights, nothing is said [in the liberal tradition] about how zealously they are supposed to exercise them” (Miller, 2000: 44).

⁵ Neo-republicans like Philip Pettit seem to embrace a class analysis too when they say that one individual can be obstructive – to the freedom of others – both “on his or her own” and “in the company of others”: “I may be obstructive on my own, but I may also be obstructive, of course, in the company of others. I may be part of an obstructive corporate agency or I may contribute a small amount of obstruction in a context in which others do so too (perhaps unknown to me) and in which the aggregate obstruction reaches a significant level” (Pettit, 2006: 135).



through *struggle*, undertaken by human beings so as to attain the necessary conditions whereby they might enjoy a sphere of autonomous social existence.

2. The Republican Notion of Civil Society

Now that the republican conception of the genesis of human liberty has been outlined, we may proceed to analysing the intuition, genuinely republican too, that “social life” is not necessarily equivalent to “civil society”.

For the greater part of the republican tradition, be it aristocratic or democratic, and from Aristotle to Marx, whether or not the term in question is used, “civil society” is an *association of free and equal individuals* (equal in the sense of being *equally free*) in a community whose fully-fledged members enjoy, without exception, material independence. At this point, it is interesting to highlight that it was the most decidedly republican Marx who asserted that “the yoke of capital can be removed by the beneficial *republican system of the association of free and equal producers*” (Marx and Engels, 1989/16: 195). Again, it is highly revealing that we owe to Rawls (in his later works) the statement that “what men want is meaningful work in *free association with others*” (Rawls, 2001: 257)⁶.

The enjoyment of this material independence must therefore be understood precisely as the enjoyment of the guarantee of a sphere of autonomous social existence, to which I referred at the end of Section One. Finally, it is the guarantee, to all individuals, of this autonomous sphere of social existence that will permit the eradication of social classes, the eradication of “distinctions of ranks”, which the republican tradition has earmarked as a priority normative and political goal.

In this direction, facilely equating “social life” and “civil society” constitutes, within the conceptual and analytical republican framework, a *theoretical glissando* that is, however one looks at it, far too hasty. Social life can accommodate, and it does accommodate, all kinds of domination that make of it an essentially *barbarous*⁷ space.

It is therefore only by way of a previously agreed intervention – one that is disputable and contestable in Pettit’s terms (1997) – by legitimate public authorities capable of checking and eradicating the very roots of social domination that it will be possible to extend to all the individuals who have been called to be members of “civil society” (of *civilised* social life) the material conditions that are necessary for this “*civil*” society to come about: the guarantee of material independence, the guarantee of a sphere for an autonomous social existence.

3. Two Threats to Civil Society

⁶ The italics in these two quotes are mine.

⁷ The rhetoric of “civilisation” – “politeness” – as opposed to “barbarism” adopted by several members of the Scottish Historical School, among them, in particular, Adam Ferguson, and also Adam Smith, goes back precisely to a materialist view of the evolution of human societies that indicates the prescription of political-institutional mechanisms that are equipped to eradicate all the sources of the asymmetries of power that permeate human beings’ life in society (Casassas, 2005).



Such politically conceived efforts can, however, end up making civil society succumb before two dangers that, according to the republican tradition, hover over it. What are these two dangers?

The first is that civil society is broken when the material resources that give access to property – material independence – are distributed in such an unequal fashion that a mere few are able to bias for their own advantage the collective process of decision making so as to convert the social order into an oligarchic or plutocratic tyranny. This is why figures like Machiavelli or Adam Smith are so deeply critical of factionalism, whether old-style (feudal) or newly installed (proto-industrial).

When this occurs, republicanism affirms, the big proprietors who, as Smith would say, have managed to delimit the exercise of natural liberty so that it benefits very few people, are equipped to subjugate, in material and civil terms, those who should be citizens in conditions of mutually recognised political equality. “The whole society”, “civil society” is thus under threat.

Again, it is precisely in this *sociology of domination*, in this portrayal of the material roots of social domination, that we find the basis of the republican assertion according to which legitimate political institutions, born of civil society and owing their existence to the support of civil society, must construct *firewalls* that are able to check the rapacious capacity of the great unrestrained private powers. This, it might be said in passing, has nothing to do with eliminating private property nor with moving away from the logic of incentives, at least in spaces and scenes where it is appropriate⁸. In such situations, I repeat, legitimate political institutions must define, reinforce, and warrant a sphere of guaranteed autonomous social existence for everybody. As Stuart White cogently recalls, this is also the proposal of the Rawls who was most committed to the substantive results of positive disciplines adjacent to political philosophy. White (2006) says, “Rawls holds out the possibility that its fundamental principles might turn out to support a republican model of the polity *in the light of researches into the sociology of democratic societies*”⁹.

The second danger is that these “legitimate political institutions” (the State), which comprise an active and complex (though not necessarily *complicated*) apparatus, might nourish, as the living organisations they are, certain inertias so that they eventually cut loose from their moorings in civil society, which they are supposed to sustain and they set about establishing themselves as agents that are more concerned with carving out domains of power for their own benefit. In this case, “social life” no longer conserves its “civil” character and it can only revert to a state wherein *bellum omnium contra omnes* is the rule.

The republican tradition offers exhaustive descriptions of a great number of historical cases where this has come to pass, from the decline of the Roman Empire to the formation of the great absolutist monarchies in modern Europe and the conversion of these into what came to constitute the foundations of the mammoth nineteenth-century bourgeois State, and, at this point, the analyses of Adam Smith and the Karl Marx of the trilogy on France, both of them

⁸ Republican political theorists – and also the majority of liberal political theorists, not without a certain theoretical incoherence for this very reason – assume the need to exclude the logic of market exchange from spaces with regard to which it is considered that there are both positive and normative reasons for thinking that they must function by means of other forms of social interaction. Hence, for example, the republican tradition – unlike what a coherent form of liberalism would have to postulate in keeping with its own basic assumptions – is opposed to the existence of a market of voting rights where it is supposed that these rights could be exchanged freely and voluntarily.

⁹ The italics are mine.



clearly anti-state, offer revealing connections. It is thanks to such analyses that it is possible to state that the republican tradition also consistently works with a *sociology of political institutions*, which makes it aware of the importance of organising mechanisms of control over institutions that have been created to eradicate domination and favour the extension of republican freedom to the highest possible degree.

These, then, are the two dangers to which the republican tradition is perpetually alert. And, once again, Adam Smith provides evidence of these concerns. In one passage of *TMS* the Scottish thinker offers a masterly summary of the considerations I have been describing in this third section:

To neglect altogether [the duties of a law-giver] exposes the commonwealth to many gross disorders and shocking enormities; and to push it too far is destructive of all liberty, security, and justice.” (*TMS*, II, ii, I.8)

4. The Significance and Scope of Republican Neutrality

What this means, then, is that both dangers need to be dealt with. Only then will it be possible to speak of “neutrality” in any robust sense of the term. How does the republican tradition understand the notion of neutrality? As we have seen, republicanism, which assumes the presence of conflict in social life, postulates the need for State intervention that is aimed at eradicating any kind of bond of dependence between individuals, always with the objective of constructing an *effective civil society*.¹⁰

Hence, it is worth highlighting that the requirement of “State neutrality” is a characteristically republican contribution to political philosophy whose origins date back to Pericles’ times. In effect, the – republican – requirement of “neutrality” is not just confined to the – “negative” – respect of all the different conceptions of the good life (in fact, the radical republican laicism has always taken this “respect” for granted). The – republican – requirement of “neutrality” demands, in essence, a “positive” obligation, that is, non-arbitrary interference of the State in social life in order to cut off the economic and institutional roots of those private powers that put at risk the capacity of individuals (individually or collectively) to define and put into practice their own life plans (Bertomeu and Domènech, 2006). Those who confine “neutrality” to the “negative respect” and forget the “positive obligation” erode this ideal in such a way as to make it compatible with (while also underpinning) the strictly formal legal and political regimes that we have inherited from doctrinaire liberalism.

This means, then, guaranteeing politically that individuals will have the capacity to govern their own lives by administering the material basis of their autonomous existence (if they enjoy at least some elementary control over this material basis, of course). In fact, this is the famous “republican virtue” – I repeat the formula -: individuals’ capacity to govern their own lives by administering the material basis of their autonomous existence. And it is interesting to note that this is, at least partially, what the *liberal* Dworkin (1990) suggests: individuals are not automata that merely react to stimuli that are rigidly delimited by an untouchable structure of desires; on the contrary, individuals have the capacity to define their life plans, which is partly the result of the smooth running of their second-order rationality. And political institutions must ensure that individuals have the chance of engaging in this process.

Once again, then, we find the importance of a *political guarantee of the material possibility* of a free process, either individual or with the support of the rest, of the individual’s

¹⁰ In this section I shall reproduce some passages that can also be found in Casassas and Raventós (2007).



defining and developing his or her own life plans, that is, of the individual's full unfolding of his or her personal identity.

But, does this scheme accommodate "moral perfectionism"? According to the republican ideal, a coherent answer to this question must be negative, unless we consider that "moral perfectionism" is:

- (1) the recognition that all members of our communities have the possibility of the second-order rationality, which, as we have seen, Dworkin *describes*; and/or
- (2) the recognition of the need to build communities that politically recognise that all members must enjoy (thanks to measures guaranteeing socioeconomic security, for example, by means of the universal and unconditional right to a Basic Income) the capacity to develop this second-order rationality and, thus, to put into practice the life plans emanating from the exercise of such a rationality; and/or
- (3) the fact that republicanism, unlike liberalism (which does not restrict individuals' preferences because *individual sovereignty* must remain intact), requires institutions (*a polity*) with the capacity to restrict any preferences that might generate forms of domination: as I have emphasised above, republicanism establishes that it must be impossible for me to materially and civilly subjugate other individuals, even if I, in my *individual sovereignty*, prefer to do so. In fact, the classics of republican thought and also the work of some egalitarian liberals – John Rawls's later work (2001) is a highly revealing example of this – have alerted us to the threat against individual and collective freedom that overlooking the function, or *telos*, of wealth might imply. The main function of wealth is attention to, and satisfaction of the plural wishes – or *preferences* – that each and every one of us harbours; but it is important here to notice that, even though these wishes or preferences are plural and autonomous, they must not damage the sphere of the autonomous social existence of other individuals. And it is the political institutions that must meet this requirement.

In sum, unless we regard "moral perfectionism" as at least one of the three situations I have just outlined, which might be difficult to sustain in any conceptually precise and non-confusing philosophical terms, it is not easy to find an apposite connection between "moral perfectionism" and "republicanism" – at least, in the way the latter has been presented in this essay.

Thus, in no instance does the community define the contents – the substance – of the life plans that individuals might make for themselves. In fact, there is no kind of pre-existing or dominant comprehensive doctrine that determines what the specific attributes of these life plans should be. The political institutions (the State), then, must limit themselves to regulating "social life" so as to make "civil society" a reality and they must do so by guaranteeing that nobody will have the least possibility of arbitrarily interfering in the process, supposedly free and autonomous, of other people's defining and managing their own life plans. They must therefore go about this by trying to give republican freedom as non-domination the greatest possible scope.

This brings us to the crucial point. The republican tradition does not reveal the essential distrustfulness of public sphere that we find in the liberal tradition or, at least, doctrinaire liberalism. But does this mean that republicanism glorifies or over-values the public sphere? Not at all. What we can find in the republican scheme are (1) first, evidence of the real capacity of individuals to conceive and promote political action organised with others in order to sever social domination at its very roots, and to build a social regime of Harringtonian "freemen" rather than of "bondsmen"; and (2) second, a comprehensive *sociology of organisations* – of political institutions – reminding us that the eventual political structures that might arise from this concerted political action must be subjected to extremely careful



vigilance. This is a watchfulness that will be *more* or *less* active and may not always require the active participation of individuals: in fact it might even be institutionally envisaged and conceived in advance through the legal and political mechanisms of a “contestatory democracy” (Pettit, 1999). In sum, this vigilance aims to prevent the political institutions, which can constitute a highly valuable instrument for the reinforcement of individual freedom, from degenerating into scrap iron waiting to be forged into weapons for the processes of “de-civilisation” of “social life”. And this is of the greatest interest for the majority of those who constitute the community under consideration.

It is important to realise here that republicanism has never dissociated the well-known notion of “civic virtue” from an in-depth analysis of (the causes and forms of) class struggle. First, as noted, republicanism identifies and underlines the presence of class distinctions, that is, of those “distinctions of ranks” John Millar talked about and that make social life *uncivil*. Second, republicanism states that all forms of political commitment and engagement, which entails certain doses of “civic virtue”, must be understood within the framework of a class analysis underlying the interest of individuals in becoming, and their effective real fight to become part of *civil society*, this being understood – I repeat the formula used in Section Two – as an *association of free and equal individuals* (*equal* in the sense of being *equally free*) in a community whose fully-fledged members enjoy, without exception, material independence¹¹.

5. The Market as a Republican Institution

At this point we can ask to what extent the market – *certain markets* – could have a place within a republican polity and, still more, nourish it. In effect, we should ask here which social institutions, and in what conditions of functioning, might constitute the (duly defined) settings that can house this “social life” that has become “civil society”. And, in particular, it is worth trying to elucidate in what sense the market constitutes an *institution-that-could-come-to-be-republican*. A reasonable point of departure would be to assume, as Adam Smith does both in *WN* and *TMS*, that (1) the individual is the best judge of his or her own situation, and (2) that he or she has an innate tendency to want to improve it. As is well-known, Smith, like most members of the republican tradition – and this point is worth emphasising – affirms in his two most famous works that self-interest is an essential factor – yet *not the only one* – in the running of the human motivational apparatus. If this is the case, these individuals must be able to devote themselves to this tendency of trying to improve their own situations without obstacles or interference from outside agents.

However, making it possible for everybody to do this, as republicanism also states, might require non-arbitrary interference from the political institutions that are designed to clear the way for these individuals to pursue their interests.

If all these conditions are met, Smith concludes, along with the other members of the republican tradition, it would be as *if there were an “invisible hand”* guiding society towards a situation of maximum liberty and happiness. This is why the republican political-normative precepts clearly point towards the need to achieve what we might call a “political constitution of the invisible hand”.

Thus, the “invisible hand theorem” – if it makes sense to talk of a “theorem” – is not only compatible with the republican tradition but also, and very especially, it must adopt from the republican tradition, as a necessary condition for its full accomplishment, this idea of

¹¹ This is especially clear in authors such as Aristotle, Harrington, Adam Ferguson, Adam Smith, Robespierre, and Marx, among many others.



upholding (categorically *earthly*) political action geared to stamping out asymmetries of power, in other words, the obstacles and interferences that permeate social life.

Note that, in the end, what I am referring to is none other than *laissez-faire*. What this means is “letting people do” as they think best, but always within a social and institutional perimeter that guarantees that people can enjoy real opportunities, precisely, to “do”. Without these clearly defined boundaries, the exhortation of “laissez-faire” loses its meaning and verges on sarcasm.

Furthermore, “laissez-faire” in a substantive sense may involve, and it is worth insisting on this, decided intervention by a polity that aims at extirpating all the ties of civil dependence that prevent people from appropriately employing their own productive energies or their creative capacities – I am using typically Smithian terminology here – in keeping with what they are or wish to be.

It is also worth noting at this point that such approaches are, in turn, the very same that gave rise to the political project of economists of the neoclassical school, who, like the socialist Léon Walras, proposed political intervention through (non-arbitrary) interference, of whatever reach that might be required, to make possible perfectly competitive and free markets that would be free of asymmetries of power and information as the *strictly normative* “theory of general equilibrium” upheld and prescribed.

And it is worth noting, too, that recently Philip Pettit (2006: 142), in agreement with Winch (1978), convincingly highlighted the fact that “[compared with “Rousseau’s romanticized reworking of republicanism], Adam Smith was more faithful to classical republicanism, and inherently more persuasive, in insisting that far from threatening republican freedom, the market could reduce dependency and domination. For example, in a well-functioning labour market (and, of course, it may be very difficult to establish such a market), no one would depend on any particular master and so no one would be at the mercy of a master”¹². Without doubt, statements like this one are highly illuminating, also for modern times.

I should now like to look at little more closely at what this option for a “political constitution of the invisible hand” might mean. To begin, it is important to recall the republican commitment to freedom as non-domination, this being understood as the freedom an individual enjoys when he or she lives among other individuals and, thanks to a particular social and institutional design, nobody can have as much as the possibility of interfering in an arbitrary way in the decisions that he or she might take. What this means, then, is giving individuals (1) sufficient capacity for patience, (2) appropriate levels of the propensity for risk and, (3) a good “fallback position” – the three elements that Jon Elster (1990) links with the negotiating powers of agents participating in a world of finite resources – so that they can define and put into practice their life plans in conditions of full autonomy and freedom (Casassas and Raventós, 2007).

In Pettit’s words (2006), republican freedom can arise “in the market” when it is politically designed in such a way as to be compatible with the social regime constituted by the “free choosers” to which republicanism is committed. Indeed, republicanism attempts to identify the different kinds of interpersonal interference as a prior step before defining a notion of freedom, the basic criterion of which is the stability of the social position of the choosing subject. This is why Pettit proposes a “chooser-based” notion of freedom rather than a pure and outright “choice-based” one. The entity that must be free, says Pettit, is the chooser not the choice – in fact, once the chooser is free, his or her choices will tend to be free

¹² See also Casassas (2005).



as well. Individual freedom, then, can only be evaluated within the framework of social relations in which individuals participate. It is worth noticing here that Adam Smith's approximation to the market also started out from this approach. Smith, more or less realistically, aspired to a society of "free artisans and manufacturers" enjoying a "social status" that, in offering them a fallback position that would strengthen their negotiating power (to use contemporary terminology), would enable them to establish effectively free contracts for exchanging their products within the framework of effectively free markets.¹³

Hence, the republican tradition envisages an eventual increase of options, which is what is expected of a competitive market, as something positive¹⁴; but it does so always within the framework of a social freedom-based regime. In any case, the relevant question is this: can this market respect and even enhance the social liberty of individuals?

The idea is that markets can function as spaces to which individuals belong on an equal basis with others and where they can therefore perceive as their own the common interests with regard to the good functioning of these markets as mechanisms conceived to achieve an effectively free allocation of resources of all sorts. In other words, market designed in such a way might be the object of what A.J. Julius has called "justifications by context": "You and I can often agree that our encounter belongs to some larger context of interaction governed by principles that already take account of your and my projects alike; those principles underwrite a justification by *context* if they ensure that each person's conduct in this realm is already constrained to respect the other's interests or agency in some suitable way" (Julius, 2003: 328). What I should like to stress at this point is the fact that in *appropriately designed* markets, individuals' encounters can be compatible with republican freedom and even nourish the deployment of the individual's identity as it is envisaged by republican moral philosophy – I shall discuss this latter point in further detail in Section Six. In *republicanly designed* markets, "the conventions that are in place do not ascribe any titles or rights of ownership that are necessarily in conflict with everyone's enjoying non-domination (that is, they do not give anyone ownership over another, for example, as in a slave regime) and that they are not themselves the product of domination (that is, they do not reflect the dominating power of one class or caste or whatever)" (Pettit, 2006: 139).

However, all this requires meticulous attention from the political institutions, along with resolute action with regard to the causal mechanisms that could give rise to different forms of domination within the markets. If commercial exchanges lead to a distribution of resources that make relations of domination more likely – for example when the forms of distribution lead to acute inequalities or condemn any particular group of individuals to poverty and hence to dependence on other individuals or corporations –, the permanently vigilant polity will need to take institutional action aimed at correcting all these tendencies that could end up eroding the social position of individuals or, in other words, the sphere of social existence that – as outlined in Section Two – individuals should be granted.

The normatively relevant element, in the end, is that "the offer of a market reward [should] always [be] the offer of a reward that you are allowed to refuse" (Pettit, 2006: 143)¹⁵. The main argument of this paper is that this is only possible in *republicanly designed* markets

¹³ In Section Seven, I shall suggest that a Basic Income could constitute the mechanism for universalising this fallback position in a world – today's – where statute law has proceeded to universalise the condition of citizenship (Casassas and Raventós, 2007; Raventós and Casassas, 2004), with the serious exception of immigrant populations.

¹⁴ As Pettit points out, "the republican tradition can join with the liberal and libertarian traditions in hailing the market for what it achieves on this front" (Pettit, 2006: 134).

¹⁵ See also Widerquist (2006).



where I enjoy a secure social standing – that is, where I count on a fallback position – that effectively allows me to refuse the rewards offered and that gives me the chance of enjoying more relevant options. This acquires special significance when the markets we are analysing are job markets.

It should be emphasised here that a republican vision of job markets entails recovering the distinction Roman civil law made between work to produce specified goods on the basis of a mutual agreement between the producer and the purchaser – *locatio conductio opera*, a contract whereby free individuals sell a product in exchange for a price -, and contracts of employment as pure wage-earning work – *locatio conductio operarum*, whereby individuals who do not enjoy a sphere of autonomous existence are impelled to sell their labour power in exchange for a wage. Both forms of contract were enshrined in the law but the incompatibility of wage-earning work and freedom was never overlooked by Roman jurists. In effect, like Aristotle in the fourth century BC, Harrington in the seventeenth century and Marx in the nineteenth century, the republican Roman legislator understood that the wage-earning worker who came under the legal form of the *locatio conductio operarum* was subject to the will of the person contracting him or was, as Aristotle put it, a “part-time slave”¹⁶ (Domènech, 2004). Adam Smith, too, in the terminology and with the ethical and political aspirations of his times, pointed out these postulates as to the freedom-killing nature of wage-earning work (Casassas, 2005)¹⁷.

Hence, a republican approximation to the role of the market as a social institution capable of effectively and appropriately assigning resources – of all kinds – among all the actors who participate in the process of creating the social product must be undertaken starting from the evidence that, without material independence, the idea that the individuals who come to these markets sign contracts freely and voluntarily is nothing more than a legal fiction, one that is only possible in an intellectual setting from which questions pertaining to power relations in social life have been banished.

The compatibility of the market with the republican tradition, then, rests on the assumption that there are dimensions in economic life that *can be commodified* and dimensions of economic life that *must be decommodified*. A great range of goods and services *can be subject to commercial exchange*, so long as this exchange does not give rise to great inequalities of wealth and economic power and that these goods and services that are subject to commercial exchange are not of the kind of those that, through the mere fact of being private property, bestow on their possessors levels of power that make their private ownership incompatible with freedom – certain natural resources are a good example of this kind of goods. In contrast, labour power *should be subjected to a process of decommodification*. Only thus would individuals be able to hold their heads up and, to use Pettit’s expression (1997), meet the eyes of others and, in a real process of negotiation, aspire to a social and economic order where they would be able to carry out “meaningful work in free association with others”, to use now the formulation of Rawls in his later work¹⁸.

¹⁶ *Pol.*, 1260a-b.

¹⁷ See, to go no further, the detailed – materialist - account that Smith offers of the tragic fate of wage-earning workers in the unequal processes of negotiation in which they confront the owners of the means of production (*WN*, I, 8). In this regard, scholars like Ronald L. Meek (1954) have emphasised the crucial role of the Scottish Historical School in the development of the sociological and economic perspectives of Karl Marx and, more generally, the socialist tradition broadly speaking.

¹⁸ In Section Seven, Basic Income will be presented as a measure that is capable of precisely this: decommodifying labour power.



Philip Pettit is therefore correct when he says that, in a republican regime, markets “*can* respect people’s undominated standing in relation to one another, allowing them to exchange things on a noncoercive basis. Indeed, it may also strengthen this standing, reinforcing it as a result of facilitating its exercise and recognition” (Pettit, 2006: 147)¹⁹. In effect, the exchanges that could occur in a market whose actors enjoy an inalienable sphere of autonomous social existence would tend to reinforce the form that these actors might wish to bestow on their own life plans.

6. Community of Fellow Citizens and Republican Freedom

Although the republican tradition affirms the ethical – and also ontological – priority of the individual sphere, it also emphasises that the exercise of understanding what we are, how we choose and carry out our life plans and how we evaluate their execution is one that is possible thanks to inter-subjective encounters in the bosom of a dynamic and plural, but in no case socially fractured, community. In fact, we need to find similarities between ourselves and the rest so as to be aware of who we are, what we want, what we do, how we do it, how happy we are, and how *self-realised* we are.

Hence, we have, for example, Smith’s “men of the world”, who are closer to the idea of *self-command* than *self-control*, closer to the idea of *pilotage*, or of *phronesis* as Aristotle-style practical wisdom, than to stoic-style self-control. In effect, Smith’s “men of the world” see other individuals as essential parameters in the definition of their life setting, their life plans and their position in the world.

As Philip Pettit (1993) suggests, republican moral psychology is compatible with the individualist thesis according to which human beings, far from resulting from a process of formation of beliefs and desires that is totally exogenous to their own conscience, constitute systems that enjoy full intentional autonomy apart from the impact that the processes of socialisation might have on such beliefs and desires. But this does not imply that republican moral psychology denies the possibility of a dynamic unfolding, in a context of social interaction, of the attributes that shape the particular intentional psychologies – the identities – of individuals. On the contrary, Pettit defends a “holistic” view of social relations (as opposed to an “atomistic” view), according to which a good part of human capacities – and very particularly those that define human beings as thinking intentional systems, capable of submitting beliefs and desires to the constraints of rationality – constitutively depend on the chance of enjoying social relations.²⁰

This is because we human beings, says Smith, do not want to be alone. The greatest evil of poverty is the obscurity of the indifference to which it condemns people. Yet indifference, Smith suggests as well, is also the greatest evil of wealth accumulated in excess, the worst evil that might befall someone who has moved too far from his or her *fellows*, gone mad, alienated by the craving to accumulate wealth beyond the *appropriate* levels, to use a

¹⁹ The italics are mine. The sense of *can* in italics may be found in the fact that, after this possibility, there is nothing else but the political will, which is to say, the decision for one or other option with regard to the social regime in which we would like to live.

²⁰ This analysis has been taken from Casassas and Larrinaga (2006)



typically Smithian term:²¹ we cannot live in the quagmire of the ditch of the dispossessed, but neither can we live a bunker-like existence in the cemented opacity of the towers of opulence.

There can be no doubt that passages such as the one I reproduce below make it clear that, in the light of republican-rooted moral psychology, any vital option aimed at the frenetic and obstinately solitary accumulation of material wealth beyond *what is necessary*, however legitimate that option might be considered, brings with it heavy psychological costs for those who make this choice. Smith says,

The poor man's son, [...] when he begins to look around him, admires the condition of the rich. [...] He is enchanted with the distant idea of this felicity. It appears in his fancy like the life of some superior rank of beings, and, in order to arrive at it, he devotes himself for ever to the pursuit of wealth and greatness. To obtain the conveniences which these afford, he submits in the first year, nay in the first month of his application, to more fatigue of body and more uneasiness of mind than he could have suffered through the whole of his life from the want of them. (*TMS*, IV, I, 7-8)

Whatever the case, the fundamental lesson that the classic republican writers like Adam Smith have bequeathed to us is the awareness that the total unfolding, in appropriate settings and without obstacles or amputations, of all the mechanisms that shape our moral and psychic architecture, requires the *political guarantee of community* or, in other words, the *political guarantee of the presence of fellow citizens*, each one of whom is seen as capable of returning, full of information and meaning, a gaze that we have previously directed on his or her conduct from the standpoint of our own self-consciousness.

In effect, humans as thinking intentional agents need to enjoy social relations in the bosom of a community – a “civil society” – that is politically constituted in such a way as to bestow upon its members the inalienable “position” or “social status” upon which depends, in turn, the possibility of rational exchanges that establish us as individuals. What is needed, in short, is a politically constituted community that fosters freedom as absence of domination, this being understood – I reproduce here the aforementioned famous formulation – as the freedom an individual enjoys when he or she lives among other individuals and, thanks to a particular social and institutional design, nobody can have the mere possibility of interfering in an arbitrary way (rather than in a rationally-agreed and indisputable manner) in the decisions that, anchored in his or her particular beliefs, he or she might take with regard to his or her own life plans (Casassas and Larrinaga, 2006).

The famous republican notion of “common good” is thus free of the presence of comprehensive doctrines and *simply* points to the evidence that all the members of the community share the common interest of wishing to become free individuals and that others, potential fellow citizens, might also be free individuals. In other words, these individuals, concerned about their own self-interest – which should be understood from the point of view of the ethics of self-love and therefore revolves around an essential idea of *personal dignity* – share the desire that the public institutions should undertake political action in order to make this “community of free – *proprietor* – fellow citizens” a reality.

²¹ As might be observed, there is a kind of theory of human needs at work at this point, which, although it is taken up in a natural fashion by the classical school of economics, ends up completely extirpated from economic analysis after the Marginalist Revolution.



7. Republicanism as Political Economy: On the Preconditions of Social Justice

Adam Smith's "political economy" is far from being a "special case" that I have tried to insert, to greater or lesser effect, into the heart of the republican tradition. The fact is that thinkers like Smith help us to understand that republican tradition is, in itself, *true political economy*.

I stated earlier that legitimate political institutions must necessarily define and reinforce a sphere of guaranteed autonomous social existence for all. Here, it needs to be stated as clearly as possible that republicanism is not an ethical-political scheme *with which a certain type of political economy might be associated*. It is not at all uncommon to find notions of republicanism that, first of all, overlook the need for *political* conquest of the *material requisites* for attaining human freedom in the private sphere, and that, second, ignore or even deny or condemn the role of these material conditions – in private life – in the articulation of a public sphere that is accessible to individuals that are free in the civil sphere and hence able to play an effective part in society as citizens. It is worth remembering that figures like Hannah Arendt, who were always willing to uphold a certain ideal of *vita activa in* and *for* the public sphere, went so far as to suggest that any intervention in the private sphere to promote and protect individual freedom could only prepare the baneful ground in which the *origins of totalitarianism* take root.

It is not surprising, then, that when republicanism is understood thus it is possible to contemplate the possibility of *associating* with this ethical and political framework a *certain political economy*, in other words, one that is limited to a *certain* set of economic measures *for promoting the common good*, whatever that might be taken to mean. This is seen as a certain set of measures with a view to an appropriate coexistence (and eventual interaction) of public and private spheres²².

Republicanism has never been anywhere near such postulates. Here, it bears repeating that republicanism is *true political economy* because its central concerns are:

- (1) studying *descriptively* the socioeconomic mechanisms that bring about domination in social life; and
- (2) promoting, *normatively* and *politically*, all measures – *firewalls* – that might ensure the maximum possible degree of material independence and freedom as absence of domination. Hence, it is at this point, and only then, when it acquires sense, goes into action and fully deploys the public sphere that it turns to the task of achieving and maintaining the "civil" character of "social life".

Republican freedom, then, emerges once this kind of political economy is underway, both in its positive and normative sides, with all the institutional implications that this might involve in each period, space and society.

What do these implications involve in the real world? In order to answer this with due diligence, I shall have to return to the series of questions I have already raised, especially in parts three and four of this paper. To be consistent with them, it must be stated that a republican polity must try to constitute a social regime in which the political institutions take on two tasks that have to be carried out jointly if they are both to have effective results.

(1) First, a *basic material ground* must be guaranteed to ensure that all members of the society enjoy an autonomous social life, and to strengthen thereby the "social position" of all, starting with the least privileged, by bestowing on them some degree of bargaining power

²² See, for instance, Dagger (2006).



for them to operate in the bosom of social life with real capacity “to do”. In other words, there is a need to grant all individuals some kind of “property” – of material independence – so that they can subsist without significant difficulties and, therefore, independently of anybody else’s wishes and whims. For reasons I have discussed in detail elsewhere (Casassas and Raventós, 2007; Raventós and Casassas, 2004), I am convinced that a universal and unconditional Basic Income is the best tool for guaranteeing this right to material existence in contemporary societies²³.

Basic Income, in effect, appears as a crucial element for providing individuals with a ground that would give them the security that, if the options within their reach do not satisfy their desires (in other words, if their opportunities sets do not match their preferences sets), they can exit the production process without having to accept life plans imposed on them on an heteronomous basis. This is why, as I have noted in Section Five, Basic Income could be a key factor in the process of decommodification of labour power to which, as we have seen, democratic republicanism should be committed in today’s world²⁴.

(2) Second, non-arbitrary checks and legal restrictions need to be established so as to avoid great accumulations of private economic power that can both materially and civilly subjugate the most disadvantaged members of society; and pressure, erode and even *hijack* the polity so as to strip it of its capacity – and mission – of defining and promoting the public good – that is, the protection of the *civil* nature of *social life* or, in other words, the promotion and defence of a community of independent fellow citizens. And this can only lead to plutocratic tyranny.

In other words, there is a need to achieve relevant degrees of wealth dispersion by restraining the stronger social actors through non-accumulatory measures. When the strong are too strong and inequalities become too pronounced, even if the polity has empowered the weak – for instance, by granting an unconditional Basic Income –, there will always be the possibility – the probability – of arbitrary interference, either by an individual or the State, in the sphere of individual private existence, damaging that sphere so much that the individual is thrown at the mercy of someone else²⁵. A republican polity, then, must be obliged to interfere in the sphere of an individual’s private existence if the characteristics of that sphere enable him or her successfully to jeopardise the right of other individuals to “live upon their own” – in Harrington’s words – and to erode the right (and duty) of the republic to promote the public

²³ The universal and unconditional nature of a Basic Income is of the greatest importance. In effect, the technical difficulties of the conditional subsidies that are considered within the framework of traditional welfare schemes create crucial political problems: the need for means and administrative controls constitutes the seed of arbitrary interference by public institutions and, hence, of greater degrees of domination – of *imperium*, in that case -. Besides, a *republican case for conditional subsidies* makes no sense because their *curative* nature disqualifies them as a tool for the promotion of freedom. If the aim is to create and consolidate individuals’ “social positions”, *ex-ante* subsidies are needed. In other words, those subsidies that come into effect *ex-post*, that is, once the situation of poverty is unavoidable, are incompatible with an ethical and political scheme for which poverty leads inevitably to a situation of lack of freedom – in a situation of deprivation, republicanism states, one tends to be at someone else’s mercy.

²⁴ For an analysis similar to what is offered here, see Wright (2006).

²⁵ A social actor can arbitrarily interfere in the sphere of private existence of another or, in more technical terms, in another’s opportunities set, by “removing an option from a set of otherwise available options”; or by “changing the options on offer by adding a penalty to one of the alternatives”; or by “misleading the agent about the options available, [for] misinformation can be a very effective way of rendering the choice of an option effectively impossible or difficult” (Pettit, 2006: 135).



good, which is, precisely, the guarantee to everyone of that social standing as “free choosers”²⁶ that republicanism stands for.

And this is why Adam Smith, when discussing the regulations of the banking trade, said – I reproduce here the passage I have analysed in Section One – that

“[T]hose exertions of the natural liberty of a few individuals, which might endanger the security of the whole society, are, and ought to be, restrained by the laws of all governments [...]. The obligation of building party walls, in order to prevent the communication of fire, is a violation of natural liberty, exactly of the same kind with the regulations of the banking trade which are here proposed”. (WN, II, ii, 94)

In sum, republican theory establishes that there is need to politically design social life – markets, in particular – in order to create a true “civil society” of really “free choosers”.

As Bertomeu and Domènech (2006) make clear, the historic origins of this second concern of the theory – and praxis – of the republican ideal go back a very long way: consider, for instance, all the laws that were introduced in Greece and Rome to put an end to landowning oligarchy (which was deemed a threat to the survival of the Republic), intervening with anti-alienatory measures (prohibition of buying, selling and donation) and with anti-accumulatory measures (impeding great differences) in land ownership; consider, also, the true historic origins of tolerance in Europe: the need to politically intervene so as to destroy the feudal economic power of churches. Consider, we might add, the Tocquevillean republican ideal of a democracy embracing the political, social and economic spheres wherein “wealth is spread so that, while there is inequality, each individual or household has a high degree of independence” (White, 2006). Consider, finally, John Rawls’s criticism of Welfare-state capitalism, which “permits a small class to have a near monopoly of the means of production” (Rawls, 2001: 139): “Welfare-state capitalism [...] rejects the fair value of the political liberties, and while it has some concern for equality of opportunity, the policies necessary to achieve that are not followed. It permits very large inequalities in the ownership of real property (productive assets and natural resources) so that the control of the economy and much of political life rests in few hands” (Rawls, 2001: 137-8)²⁷.

Thus, with regard to contemporary market societies, it must be stressed that there would be no particular threats to the freedom of individuals who engage in relations of exchange in the market if these markets were previously constituted in such a way as to prevent them from accommodating relations of domination born of inequalities of power – in particular contractual power – asymmetries of information, the imposition of entry barriers, market manipulation, and arbitrary price fixing (Pettit, 2006), among other practices that

²⁶ As it can be noticed, the value that the republican tradition gives to equality is instrumental. As Pettit states (2006: 139), a market regime, “however inegalitarian, is not inimical to freedom just on the grounds of being inegalitarian”. Within the framework of republicanism, the normative relevance of the struggle against inequalities arises from the fact that these inequalities can permit the emergence of positions of power that enable certain social actors to restrict the opportunities sets of other individuals. This is why it can be said that the egalitarian side of the republican notion of freedom appears when it becomes clear that “the best way of increasing the quantum [of non-domination] enjoyed overall is likely to be by giving to the weaker rather than the stronger” (Pettit, 2006: 141).

²⁷ As it can be noticed, all these measures are related with the materially anchored institutional requirements – aiming to extirpate all kind of bonds of dependence between individuals – for putting into practice the republican notion of neutrality, as it has been presented in Section Four above.



imperial freedom and that are based on the very fact that individuals are not independent social actors.

Hence, as Stuart White points out, it should be emphasised that the “liberal” John Rawls both in *Theory of Justice* and *Justice as Fairness* attempted to translate into contemporary terms the “very republican” idea of a society formed by artisans and small property-owners who are free in material and civil terms. In Rawls’s analysis, this updating of the old Jeffersonian ideal requires: “(1) [the establishment of] “a background political system that respects the basic liberties, both personal and political; (2) an educational system that helps to secure fair equality of opportunity [...] by subsidizing private schools or by establishing a public school system; (3) anti-discrimination and related laws to help secure fair equality of opportunity; (4) a minimum income guarantee secured through ‘family allowances and special payments [...] or, more systematically, by such devices as a graded income supplement (a so-called negative income tax)’ (Rawls, 1999: 243); (5) taxation of wealth transfers: the government should enact some form of taxation of gifts and inheritances, perhaps including a capital receipts tax, so as to ‘gradually and continually correct the distribution of wealth’ so that inequalities in inheritance ‘are to the advantage of the least fortunate and compatible with liberty and fair equality of opportunity’ (Rawls, 1999: 245); (6) an expenditure tax to raise revenues to meet social justice expenditures [...]; and (7) further taxation for provision of public goods subject to the (very demanding) condition that the tax arrangements are such that everyone, or just about everyone, is willing to consent to the resulting tax-public goods package” (White, 2006).

Note, then, that from the republican standpoint, *distributive justice* comes lower in the ranking of priorities than the *implementation of preconditions for the emergence of republican freedom* and hence for the progress of *social justice*. Herein lies the feature that distinguishes the republican standpoint from the set of ethical-political perspectives that have shaped contemporary political philosophy since 1971. In fact, for republicanism, this does not so much mean conceiving of a normative scheme to *distribute the social product* – or to *repair* unjust distributions – as introducing the necessary institutional mechanisms to confer upon individuals social positions that will guarantee the possibility of their carrying out their life plans in the absence of domination: the *result* of the *social play* is less important than the *socio-institutional conditions* on which it is based and from which it develops.

In the words of Bertomeu and Domènech (2006: 66), “the republican tradition does not take distributive justice as the central focus of its normative attention, but rather the idea that the just distribution of the social product would be a result derived from its *principal attention to the problems of (greater or lesser) social extension of republican freedom* for socially regimented individuals, which is to say people who are institutionally distributed, by one means or another, among the different social classes comprising a [...] society”. The issue of *social justice*, then, is something that is settled – and assured – previously, *ex-ante*, that is, when the rules for governing an effectively civil society are formulated²⁸. I refer, to go no further, to all the political and institutional measures and mechanisms, from Basic Income through to checking the large concentrations of private economic power, to which I have already referred in this section.

²⁸ This is why John Schwarzmantel (2006) points out that “a just society [...] is one where domination is rendered structurally impossible, so that the harmful interference with individuals’ lives cannot take place”.



References

- Aristotle (1995): *Politics* (ed. J. Barnes), Princeton: Princeton University Press.
- Bertomeu, M.J. and Domènech, A. (2006): “El republicanismo y la crisis del rawlsismo metodológico. Nota sobre método y substancia normativa en el debate republicano” [Republicanism and the Crisis of Methodological Rawlsianism. A Note on Method and Normative Substance in the Republican Debate], *Isegoría. Revista de Filosofía Moral y Política*, Num. 33.
- Casassas, D. (2005): *Propiedad y comunidad en el republicanismo comercial de Adam Smith: el espacio de la libertad republicana en los albores de la gran transformación* [Property and Community in the Commercial Republicanism of Adam Smith: the Space of Republican Freedom at the Dawn of the Great Transformation], Barcelona: University of Barcelona.
- Casassas, D. and Larrinaga, I. (2006): Review of Pettit, Philip, (1993), *The Common Mind: An Essay on Psychology, Society and Politics*, New York: Oxford University Press; (1997), *Republicanism. A Theory of Freedom and Government*, New York: Oxford University Press; (2001), *A Theory of Freedom: From the Psychology to the Politics of Agency*, New York: Oxford University Press, *Papers de Sociología*, Num. 80.
- Casassas, D. and Raventós, D. (2007): “Propiedad y libertad republicana: la Renta Básica como derecho de existencia para el mundo contemporáneo” [Property and Republican Freedom: Basic Income as a Right of Existence for Contemporary World], *Sin Permiso*, Num. 2.
- Dagger, R. (2006): “Neo-Republicanism and the Civic Economy”, *Politics, Philosophy and Economics*, Vol. 5, Num. 2.
- Domènech, A. (2004): *El eclipse de la fraternidad. Una revisión republicana de la tradición socialista* [The Eclipse of Fraternity. A Republican Revision of the Socialist Tradition], Barcelona: Crítica.
- Dworkin, R. (1990): *Foundations of Liberal Equality*, Salt Lake City: University of Utah Press.
- Elster, J. (1990): *The Cement of Society. A Study of Social Order*, Cambridge: Cambridge University Press.
- Hume, D. (1856) [1754-1762]: *The History of England from the Invasion of Julius Caesar to the Abdication of James the Second, 1688*, Boston: Phillips, Sampson and Company.
- Julius, A.J. (2003): “Basic Structure and the Value of Equality”, *Philosophy & Public Affairs*, Vol. 31, Num. 4.
- Korpi, W. (1998): “Power Resources Approach Vs Action and Conflict: On Causal and Intentional Explanations in the Study of Power”, in J.S. O’Connor (comp.), *Power Resources Theory and the Welfare State*, Toronto: University of Toronto Press.



- Marx, K. and Engels, F. (1989): *Marx-Engels-Werke (MEW)*, Berlin: Dietz Verlag.
- Meek, R.L. (1954): “The Scottish Contribution to Marxist Sociology”, in Saville, J. (ed.), *Democracy and the labour movement: essays in honor of Dona Torr*, London: Lawrence & Wishart.
- Miller, D. (2000): *Citizenship and National Identity*, Cambridge: Polity Press.
- Pateman, C. (2006): “Democratizing Citizenship: Some advantages of a Basic Income”, in B. Ackerman, A. Alstott and P. Van Parijs (eds.), *Redesigning Distribution*, London-New York: Verso.
- Pettit, P. (1993): *The Common Mind: An Essay on Psychology, Society and Politics*, New York: Oxford University Press.
- (1997): *Republicanism. A Theory of Freedom and Government*, Oxford: Oxford University Press.
- (1999): “Republican Freedom and Contestatory Democratization”, in I. Shapiro and C. Hacker-Cordón (eds.), *Democracy’s Value*, Cambridge: Cambridge University Press.
- (2006): “Freedom in the Market”, *Politics, Philosophy and Economics*, Vol. 5, Num. 2.
- Pocock, J.G.A. (1975): *The maquiavellian Moment. Florentine Political Thought and the Atlantic Republican Tradition*, Princeton: Princeton University Press.
- Raventós, D. and Casassas, D. (2004): “Republicanism and Basic Income: The articulation of the public sphere from the repoliticisation of the private sphere”, in G. Standing (ed.), *Promoting Income Security as a Right. Europe and North America*, London: Anthem Press.
- Rawls, J. (1999): *A Theory of Justice: Revised Edition*, Cambridge, MA: Harvard University Press.
- (2001): *Justice as Fairness. A Restatement*, Cambridge, MA: Belknap Press of Harvard University Press.
- Schwarzmantel, J. (2006): “Is There a Republican Theory of Social Justice?”, paper presented at the *Social Justice in Practice 2006 Annual Conference of the Association for Legal and Social Philosophy* (Dublin, 28 June – 1 July 2006).
- Smith, A. (1981) [1776]: *An Inquiry into the Nature and Causes of the Wealth of Nations*. Edited by R. Campbell and A.S. Skinner. Indianapolis: Liberty Fund.
- (1984) [1759]: *The Theory of Moral Sentiments*. Edited by D. Raphael and A.A. Macfie. Indianapolis: Liberty Fund.
- Tuck, R. (1979): *Natural Rights Theories. Their origin and development*, Cambridge: Cambridge University Press.



White, S. (2006): “Rawls, Republicanism, and Property-Owning Democracy”, paper presented at the *Social Justice in Practice 2006 Annual Conference of the Association for Legal and Social Philosophy* (Dublin, 28 June – 1 July 2006).

Widerquist, K. (2006): *Property and the power to say no: a freedom-based argument for basic income*, Oxford: University of Oxford.

Winch, D. (1978): *Adam Smith’s Politics. An Essay in Historiographic Revision*, Cambridge: Cambridge University Press.

Wright, Erik Olin (2006): “Basic Income as a Socialist Project”, *Basic Income Studies*, Vol. 1, Num. 1.