## Egalitarianism July, 1990

The *Washington Post* recently devoted front-page space to report a decline in support for egalitarianism. More then 70% of the people responding to a poll said they disagreed that "redistribution" wealth from those who earn it to those who do not was a proper function of government. The story, of course, could barely conceal the paper's concern over the apparent growing opposition to the welfare state and it policies to "narrow the gap between the rich and the poor." Nevertheless, this represents a breakthrough.

The people who worry about these things attribute the decline to Ronald Reagan and the 1980s, the alleged Decade of Greed. That it might have something to do with developments in Eastern Europe, where governments preaching egalitarianism have failed so miserably, has not occurred to them.

One is always entitled to be skeptical about polls, so it is too early to celebrate the demise of egalitarianism in America. Besides, the evidence that it is really out of favor is scant. How are we to explain most of the pending legislation in Washington, including the Americans with Disabilities Act? There could be a lag between a change in the people's attitude about the welfare state and the legislative process, but I doubt that egalitarianism is dead or could die so easily.

It is quite possible that egalitarianism still functions as an ideal, but that people have grown doubtful about whether it can be carried out. Here the experience of Eastern Europe and the Soviet Union has been instructive. The governments in these countries assumed nearly complete power, ostensibly to fulfill the principle "from each according to his ability, to each according to his need." The result was a caste society in which the rulers lived in relative luxury – compared to their subjects, if not the working class in the West. Practice fell short of theory. That ought to make people rethink the theory, but many will just chalk it up to flaws in human nature. The last thing they will conclude is that the flaw is in the theory, not ourselves.

Before sorting all this out, let's dispose of an economic point first; the government cannot "redistribute" wealth. The word in quotations marks implies that wealth is initially *distributed*. It is not. In the market there is no common pot from which someone ladles wealth. The incomes we observe result from a long series of voluntary exchanges. In each transaction, two parties decide that whey they will get is more valuable than what they will give up. If each did not believe that, no transaction would occur. (The exception, of course, is income derived from government sources.)

Since there is no distribution, it cannot be judged fair or unfair. No one decided how much each person would get. Rather, everyone had opportunities to enter or not enter into transactions, depending on their values and what contribution they could make to the productive process. It makes no sense to call the "distribution" of income unfair if each step in the series of exchanges that brought that outcome was fair, that is, voluntary.

But this basic economic point is not likely to persuade the egalitarian. To him, the impersonal market process is unfair precisely because it does not take into account his

feeling (for that is all it is) that something is wrong with variations in income. If the market's principle of reward is contribution to production, he argues, and if that principle leads to unequal rewards, then the principle should be changed.

Changed to what? Different egalitarians have given different answers. The differences are not important here; only the principle is. Every egalitarian has presumed to call for interference in the peaceful system of voluntary exchange to bring about an arrangement of wealth; fairer than the one the market would create.

The egalitarian is right about one thing; left to its own devices, the market will "distribute" wealth unequally. It is an elementary truth, requiring no proof beyond simple pointing, that people are different in almost every way. They have different talents, different levels of ambition, different qualities of alertness to opportunities, different physical capacities. Difference – inequality – is the rule. We have no say in the matter, and we should be thankful for it. Imagine a world where everyone was the same. The division of labor would not work, and we would all be equally poor. It is precisely because we are different that the law can treat us in the same way and not cause a catastrophe.

The law is the only realm where equality is properly recognized. But equality in this context means one law for everybody. A free society is one in which there are no castes, that is no legally enforced divisions as found in feudal and socialist societies. It is not a classless society. Classes are merely groupings based on income and other criteria, that result from voluntary association. Using Ludwig von Mises's distinction, a class is not legally closed to entry; a caste is.

The egalitarian is not satisfied with equality under the law. In fact, he resents it because it accepts the natural differences between people. In his effort to bring about equality in the economic realm, he must establish inequality in the legal realm. Those thought to have too much will be treated differently from those thought to have too little. The first will be deprived, the second endowed. Bad equality therefore drives out good equality. But notice that the egalitarian merely succeeds in substituting one set of inequalities for another.

Only a dreamer would maintain that under an egalitarian regime all inequalities are wiped out (or even diminished). On the contrary, the system rewards those excelling in the manipulation of the political process. Obviously, these skills are not equally "distributed." Instead of the market system, which rewards people for satisfying consumers, the egalitarian favors a system that rewards people for winning political office or currying favor with politicians and bureaucrats. The egalitarian no doubt is the best judge of which kind of skill he has.

What motivates the egalitarian? Maybe at one point in history the motive was naïve humanitarianism. But no more. The consequences of the interventionist state are too stark to be missed. The poor are its first victims. They are made humiliatingly dependent on the state, which regulations deprive them of the freedom to help themselves and taxes choke off economic opportunity. In their name, a multitude of bureaucrats (and "private" sector consultants) grow rich. The politicians gain a constituency, but no matter how much money is spent, the problem is always worsening and the producers of wealth are always expected to give more. It is hard to find humanitarianism in this. Honest humanitarians would have given up on the welfare state long ago.

Those who cling to it are motivated by something else: envy. What else can explain a system that worsens the condition of the purported beneficiaries as well as society's achievers? At some point all innocent explanations, fall away and what is left is hatred – of achievement in itself.

It is bad enough that the administrators of the welfare state are moved by a hatred of ability. The greater tragedy is that they poison the minds of the constituency they so desperately need. Instead of the poor learning to admire the productive and aspire to be like them, they are taught by the system that their poverty is cause by others' affluence. They learn to resent achievement and to prefer seeing the achievers dragged down. That is all the welfare state can bring about.

Egalitarianism rests on the principle that people are not responsible for themselves. It is not a poor person's fault that he is poor; nor do the rich deserve their wealth. The opposing view need not hold that everything is in a person's control. Luck can play a part in wealth and poverty. Nevertheless, no two people react the same way in the same circumstances. A person's perceptiveness, judgment, and ambition play a large part in his fortunes.

The welfare statist will cry out that we have responsibility to those less fortunate. We do, but in a sense other than the egalitarian imagines. We have a responsibility to create and maintain a free society so that all may go as far as their abilities and determination will take them.

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