

Other Journal Sites

As of 10:57 a.m. EST Monday, January 28, 2002

- News
- Technology
- Markets
- Your Money
- Opinion
- At Leisure

- In Today's Paper
- Portfolio
- Setup Center
- Discussions
- Site Map
- Help
- Contact Us
- Log Out

THE WALL STREET JOURNAL Print Editions Customer Service

COMMENTARY

Capitalism for Consenting Adults

By ROBERT L. POLLOCK

These days capitalism's only committed opponents seem to be the freaks who assemble to protest meetings of the World Trade Organization. But it wasn't so long ago that, even in the "free world," free markets had very few friends. American academia and media were rife with the notion that the United States and the Soviet Union were morally equivalent, and that heavy government intervention was needed to correct capitalism's manifest injustices. The dominance of statist ideas was so complete that it was a Republican president, Richard Nixon, who declared, "We're all Keynesians now," and imposed wage and price controls.

One of the few to challenge the consensus, Harvard philosopher Robert Nozick, died last week of complications from stomach cancer at the age of 63. The dapper Nozick -- who dressed in three-piece suits and comported himself, in the words of a former student, "like an investment banker" -- bravely suggested to Nixon's America, with its libertine social mores, that consenting adults have rights outside the bedroom too.



Nozick, who founded Columbia University's chapter of the leftist Students for a Democratic Society, would have seemed an unlikely champion of capitalism. But while doing graduate study at Princeton he read economists Milton Friedman and Friedrich Hayek, and grew convinced that capitalism had moral as well as productive virtues. The celebrated book "Anarchy, State and Utopia" 1974. It played a critical role, along with the Messrs. Friedman and Hayek, and those of Ayn Rand, in spreading pro-market ideas to



Personalized Put headlines homepage abc companies, in topics that inte



@ Your Service  
 Elegance & Service at  
 Imperial Hotel Tokyo  
 Buy Travel Books  
 from Amazon  
 Give a perfect gift  
 The Online Journal



Republican Party, Thatcherite Britain and b

In university classrooms, Nozick's masterpiece paired with John Rawls's "A Theory of Justice." The juxtaposition is no accident, since Nozick's book is a reply to his Harvard colleague.

At the time, the dominant moral and political theories were utilitarian -- justice means maximizing human pleasure and minimizing pain. But this meant individuals might sometimes be required to sacrifice for the greater good, which Mr. Rawls found unacceptable. He wanted a theory of justice that respected individual rights. To derive it, he asked readers to perform a thought experiment in "the original position of justice behind a veil of ignorance." Imagine that you don't know if you're a man or a woman, rich or poor, intelligent or dumb. What kind of society would you like to be born into?

Mr. Rawls concluded that anyone presented with such a choice would want to place himself in a position where he would not risk being stuck at the bottom. From this premise he derived the sweeping conclusion that basic goods should "be distributed equally unless an unequal distribution... is to be justified to the benefit of the least favored."

"A Theory of Justice" was an enormous hit, welcomed by most American liberals as a moral justification of an expansive welfare state. Supply-side economists, of course, worried that very large inequalities might benefit the least well-off. But Nozick was first to offer a sharp critique with a moral critique.

What Nozick argued was that Mr. Rawls seemed more concerned with material equality than with individual rights. The achievement of such equality through taxation and income redistribution required extensive coercion -- the treatment of individuals and their work as mere means to an end (a "just" society), a violation of rights not unlike the problem Mr. Rawls saw in utilitarianism.

Nor was the kind of income redistribution Mr. Rawls appeared to favor a one-time redistribution. Maintaining such equality would require what Nozick called, cleverly co-opting the language of Rawls, "continuous interference with 'capitalistic acts between consenting adults.'" Nozick's famous Wilt Chamberlain argument, in which he pointed out that even if you had an equal distribution of everything, individuals will voluntarily transfer more money to certain people -- say good basketball players -- than others. The only way to maintain equality would be to forbid free exchange, or to take away (through taxes) the earnings of the rich. Neither solution fits easily with Mr. Rawls's concern with freedom.

For Nozick, only a very limited state was consistent with respect for individual rights. The welfare state was not a necessary evil to be tamed, but the moral embodiment of how free and equal individuals should interact with each other.

Nozick's brilliance forced the academic establishment to take libertarian ideas seriously. He inspired America's fledgling libertarian movement and the Reaganite wing of the Republican Party. But he was to disappoint fans who hoped he would offer his thoughts on politics every day. Unlike his colleague Cornel West, he refused to use his university platform for political purposes; and unlike Mr. Rawls, he refused to spend 30 years rewriting the social contract.

The constant in Nozick's work was his delight in rebellious thinking: The same man who had seen the welfare-state consensus go on to challenge the philosophical establishment turned his attention to mushy subjects (love, friendship, happiness) that the scientifically minded

who dominated American philosophy found taboo.

That kind of rebellion is what the academy should be all about, but often isn't. On Harvard President Lawrence Summers, fresh from his run-in with Mr. West, was eulogizing Nozick: "Harvard and the entire world of ideas have lost a brilliant and scholar, profoundly influential within his own field of philosophy and well beyond."

*Mr. Pollock is an editorial page writer at the Journal.*

*Updated January 28, 2002 12:46 a.m. EST*

 [SAVE THIS](#)  [EMAIL THIS](#)  [FORMAT FOR PRINTING](#)

[Return To Top](#)

[Corrections](#) [Contact Us](#) [Help](#) [About Dow Jones](#) [Mobile Devices](#) [E-mail Setup](#)  
[Account Information](#) [Privacy Policy](#) [Subscriber Agreement](#)

**Copyright © 2002 Dow Jones & Company, Inc. All Rights Reserved**

[Copyright and reprint information.](#)

**DOW JONES**

