Freedom, Markets, and Well-Being

#### Fall 2016

# Rawls's Difference Principle

# 1 The first statement of Rawls's principles

"First: each person is to have an equal right to the most extensive scheme of equal basic liberties compatible with a similar scheme of liberties for others.

Second: social and economic inequalities are to be arranged so that they are both (a) reasonably expected to be to *everyone's advantage*, and (b) attached to positions and offices *open to all.*" (*A Theory of Justice*, p. 53. Italics added.)

# 2 Four systems

	Principle of efficiency	Difference principle
Equality as careers open to talents	System of Natural Liberty	Natural Aristocracy
Equality as equality of fair opportunity	Liberal Equality	Democratic Equality

Table from A Theory of Justice, p. 57.

# 3 Friedman's skepticism about equal opportunity

Inequality resulting from differences in personal capacities, or from differences in wealth accumulated by the individual in question, are considered appropriate, or at least not so clearly inappropriate as differences resulting from inherited wealth.

This distinction is untenable. Is there any greater ethical justification for the high returns to the individual who inherits from his parents a peculiar voice for which there is a great demand than for the high returns to the individual who inherits property? ...

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Most differences of status or position or wealth can be regarded as the product of chance at a far enough remove. The man who is hard working and thrifty is to be regarded as 'deserving'; yet these qualities owe much to the genes he was fortunate (or unfortunate?) enough to inherit.'

<sup>&</sup>lt;sup>1</sup> Milton Friedman, *Capitalism and Freedom*, (1962; repr., Chicago: University of Chicago Press, 2002), 164–66.