

Freedom, the Market, and Citizenship: A Republican Sketch of the Civic Economy

Abstract

This paper examines the neo-Roman Republican position on the economy. It suggests that a Republican polity – one that conceptualises all political questions around the necessary value of freedom as non-domination – has to think of the economy not as a sphere onto itself, but as an arena that must be organized to allow for the substantive and equal exercise of every person's citizenship. This piece relates the value of freedom as non-domination to the market – the main organising function of the contemporary economy, and suggests that a Republican society is a propertied one, with the legal recognition of private ownership. In the inevitable circumstances however, where the market allows for certain persons to accumulate wealth and therefore power, this subsequently gives particular citizens, the arbitrary capacity to dominate others – it allows these citizens to exercise their citizenship on terms that are more advantageous to others. Republicanism requires in these circumstances, radical intervention in the market, in terms of distribution and regulation, to assure the necessary value of freedom as non-domination. It is in this regard that the Republican Civic Economy links conceptually with John Rawls' idea of a property-owning democracy, and more broadly with the inter-related Liberal-egalitarian concern for the radical distribution of wealth as a necessary precondition for the fair and effective, equal value of civil liberties. Indeed, it is the assertion of this piece that at the level of public economic policy, Republicans and Liberal-egalitarians should advocate a common political programme, in spite of their potentially differing theoretical justifications for such an account.

Introduction

Before the advent of Commercial-Republican thought in the eighteenth century – when Republicanism articulated the view that the impersonal mechanism of the market could be a sphere of freedom, because of its abstract decentralization of power from the state (Van Gelderen & Skinner 2002: part III) – existed a property based objection to the rule of monarchs. Republicanism suggested that the rule of monarchs was domination, because under their control, the state and its subjects were defined as the property of the sovereign (Dagger 2006: p153). The relationship of the people to the monarch was one of slavery, as a slave's status is being the property of a master. People, no matter how they were actually treated, lived under the monarch's arbitrary capacity to exercise their will as they pleased –

just as one can add value to their property or destroy it, a monarch could in the same terms, bestow honours to, or arbitrarily execute their subjects. Republicanism resisted this through its theory of citizenship, suggesting that persons cannot be conceptualised as either subjects or property, but have to be thought of as citizens, politically recognised as persons with their own sovereign will, normatively understood as free in the absence of the arbitrary will of others (Pettit 1999; Skinner 1998).

The commercial life of the market then came to briefly hold the prospect of this type of freedom. However, as Republicanism disappeared into proto-liberal, and democratic thought, in the eighteenth century, there then emerged a more nuanced form of capitalism. This contemporary form of competitive economics, created its own version of liberty, *market freedom* (MacGilvray 2011). This ideological understanding of freedom, as being a market agent, allows persons to be conceptualised as either workers or employees, and as such ignores persons' unreserved status as citizens (Dagger 1997: 104-108). It is this that the Civic Economy wants to resist. In all spheres of life persons must be able to exercise their citizenship on terms equal to the rest. This means conceptualising persons not as economic agents, but as citizens. This gives Republicanism grounds to be seriously concerned with the market's centralizations of power, which prevent the un-dominated exercise of this idea of citizenship. If the market can give its own ideal of freedom priority, this has worrying effects for liberty. It means the marketization of governance and society's civic structures. These are spheres that need to be kept separate from the market to assure the decentralization of power and to uphold the market's free pluralism itself.

This paper seeks to sketch out what idea of political-economy Republicanism actually advocates. It still remains ambiguous to what Republicanism's relationship to the market is, and if the Republican economy could not perhaps be better served by some form of Socialism, due to its strong and emancipatory emphasis on the freedom that can be embodied

in properly constituted institutions. To do this, this paper will not abstractly examine distributive justice, but rather the market itself, and its relationship to citizenship, so that specific policies can be derived to resist domination, in non-ideal circumstances. Indeed, this has been essential to the very *realist* character of Republican politics (Skinner 1992). Republicanism does not approach the question of freedom and market with any real utopian or teleological impulse to conceptualise and advocate a new and unimagined world order, but rather it wishes to assert the value of non-domination to mediate the effects of the world we live in and to suggest modes of resistance and creativity therein, so that conditions of liberty can be found.

This paper has two parts. Firstly, it sets out the relationship between non-domination and the market. Specifically it draws out a relationship between ethical perfectionism and state-planning, arguing that because of this association conceptually, a Republican society is in fact one where property is the best means to assure political agency. It also argues however that economic questions are ultimately ones about power and therefore the image that Republican political-economy is trying to capture is one that is neither particularly market orientated nor statist. It does however concede a necessary role for both in its work, and this lays the basis for thinking about a Civic Economy in part two. Part two examines what policies and institutions are necessary to make a citizenship orientated economy a reality. It examines this by sketching out Republican attitudes to work and wealth in the economy, linking its ideal to the ideas of basic income and a greater egalitarian distribution of wealth. It is in Rawls' idea of a *property-owning democracy* that a basic policy platform can be shared between Republicanism and Liberalism.

Section One: Freedom and the Market

In the abstract, simply put, Republican theory seems to be ambivalent to the market. Republicanism is not an inherent supporter of the market, nor is it however an inherent critic of it (Pettit 2006: 147). Republicanism's political programme is one designed to resist domination in all its forms, conceptually this does not entail an intrinsic link to any particular form of economic management. This philosophical ambivalence to economic organisation however, is central to Republicanism's *instrumental* attitude of advocating a system of market exchange, which is considerably different to the conditions of actually-existing capitalism (Leighton & White 2008). Unlike Marxist and certain Socialist economic theories, Republicanism does not begin its theorising by viewing the market as having a special historical status. This means that the market does not present an insurmountable challenge to Republican theory, the market is in this sense compatible with a Republican society (MacGilvray 2011: 19). By way of comparison however, Republicanism does not believe that free exchange has a specific moral value either, as Classical Liberals and Libertarians often contend. Assuming that exchanges can be conducted on terms of equal power relations, those exchanges can be considered non-dominating by Republicans (Gaus 2003: 60-61). Republicanism only sees moral acts as those that are non-dominating; it does not view the instruments for making those acts in the same terms (Pettit 2006: 144).

This agnosticism lends itself in theory however to the opposite philosophical direction as well. As certain brands of egalitarian and perfectionist thought contend, the market is an inherently immoral institution. Republicanism also rejects this assumption (Dagger 2006: 157). Again, it is not the fact that the instrument is inherently immoral, what is immoral about market exchanges is that if they are conducted under the terms of unequal power relations, where relationships of arbitrary power exist between persons in transaction, these exchanges cannot be considered free. What Republicanism is concerned with rather, are the contingent

effects of the market economy, those which either create the production or maintenance of relationships of arbitrary power. The market in this sense, needs the radical treatment of Republicanism, it needs to be cured of its symptoms, those which produce domination, so that when constrained, it can function effectively as an instrument of freedom, where and when it is appropriate for it to do so (Dagger 2006; Gaus 2003; Pettit 2006; Sunstein 1997). This section examines the relationship between freedom and the market, in a comparative approach with the Aristotelian and Classical Liberal/Libertarian positions on the economy. In doing this, the necessary philosophical grammar can be exposed, to understand Republicanism's attitude of how it relates the value of freedom to the market, and how it views *value*, *property*, *exchange*, and *regulation*. It suggests that a Republican society is a market based one, where property ownership does pertain, but for the un-dominated exercise of citizenship, certain distributions of power must be created to allow for this exercise to be a substantive and equal practice.

Aristotelians on the Market

Aristotelian political-economy is one that exists to foster the conditions of ethical life. It is one that exists to be the instrument of achieving the *good life* – that which Aristotelians view as necessary for realising the human beings' essential nature (Macedo 1988). The good life in this sense is one that persons must realise so that they can themselves live a fulfilled existence. The image of Aristotelian political-economy is not that of the marketplace – the sphere of constant competition, as Classical Liberal and Libertarian accounts contend – but rather that of the *household*, where the economy is viewed as a means to get by, where people live modestly, or indeed frugally, so that they can otherwise foster their capacities for living the good life (O'Neill 1998: 29). The acquisition of wealth is definitively not an end here, and the competitive life of the market which goes with it, is also rejected, as it does not have any intrinsic value or worth, like that of the values imbued in certain human goods. The life of the

market, in short, is not part of the good life. The actual mechanism of the market however, is also distrusted by Aristotelians, as it also has no teleological impulse towards the good life; it represents only endless competition, which can never seek to reconcile the values of the human world. It is in this sense, that the market is a *disembedded* mechanism (Polanyi 1957), it is one that exists separately from society, where the transmission of values take place, the place where persons can come to live the good life.

It is for this very reason that the Aristotelian political-economy is one that prizes location in its ideal, as it is only in this that one can hope to create a settled identity capable of fulfilment. Aristotelians claim that persons need deep and settled dispositions so that they can develop via their set commitments and relationships their own individual sense of personhood. Through its intrinsic competitiveness and dynamism, the market can only exist, unconstrained, to create the dissolution of settled identities (O'Neill 1998: 79-82). This has led certain Aristotelians to advocate an ethical account of Socialism, one where planning is favoured over the market, because of this very assertion for the need of a settled identity; planning they claim assures this, whereas the market, because of its status as a disembedded mechanism cannot (Tawney 1975). Withstanding the fact that a planned economy may in fact be subject to the same problem of the dissolution of settled identities, others however have taken a more pragmatic approach and have sought to preserve the ethical bonds of society, under the economic conditions of market instrumentalism. This has been done by advocating the ethical value of certain goods and translating this fact into non-marketability.

As suggested, the market by itself does not recognise the *telos* of the good life. As an economic mechanism it treats all goods as commodities, even if those goods themselves have a special value in realising a teleological vision of the good. The market as a no-value *neutral* device cannot cultivate ends, but only satisfy preferences, as it can only treat ends as *wants*; simply put, it cannot be a perfectionist device (O'Neill 1998: 20). Aristotelians, because of

this fact, are fundamentally hostile to the market, the market removes the specific values goods have in society and commodifies them within its own mechanism; it subsumes that which allows for persons' ethical growth and development. To resist this, Aristotelians use their own metaphysical account of personhood, to promote the ethical value of specific goods against the market (Sandel 2012). By not allowing this marketization, the *telos* towards the good life can be preserved, even with the existence of a hostile market, because it is seen to have been properly constrained (Walzer 1983). Common examples of this include a variety of goods that are associated with the human body, such as organs, pregnancy, and sex. In the case of sex, Aristotelians suggest that prostitution degrades the participants involved – that the human body is imbued with an intrinsic value, and that the act of sex in this regard, is teleologically orientated towards the union of persons in love. In a sense, to sell one's body for sex, one is supplanting the norms of love, that which are essential in the Aristotelian account of fulfilment, for the norms of commodification and profit in the market (Anderson 1993: 167; Satz 2010: 140-144).

The Aristotelian account is able to make this assertion on its meta-ethical understanding of value, but this is something that Republicans should resist. This perfectionism should worry Republicans, because in the abstract, the market seems to hold the promise of upholding value pluralism. Republicans, although they would all most likely agree with their Aristotelians rivals that prostitution should be banned, they would do so for very different reasons. Republicans suggest that prostitution should be banned because of the conditions of arbitrary power that bring most people to engage in this practice. Prostitution takes place either under the conditions of forcible coercion or dire economic compulsion (Satz 2010: 144-149). As a realist theory, Republicanism then is happy to recommend that prostitution is banned on instrumental and pragmatic grounds, as at least *formally* this would serve as a means to conceptualise domination in this practice. Republicanism, in this regard,

is not subject to a creeping perfectionism in making this assertion – that prostitution is intrinsically bad, as many Republicans might well think in a personal capacity – but that empirically there is a strong correlation between prostitution and domination. What Republicanism in such an example would be more concerned with, would be, not conceptualising the morality of prostitution, but rather locating the networks of domination that create and sustain its practice, so that it could provide those who are engaged in it, quite possibly illegally, with options and alternatives, as opposed to mere criminalisation, to overcome their predicament. It would only be in this that those persons could exercise their citizenship un-dominated on substantive and equal terms to the rest.¹

The problem with the Aristotelian account of the economy is that it is blind to power. In the prostitution example it appeared to be ethically sensitive, but because of its conceptual focus on prostitution as an *act*, being wrong, it did not recognise that the fundamental injustice of the marketization of sex was not its sale, but the domination surrounding the networks of coercion that force people to engage in its practice. It did not have the realisation that prostitution, is in effect, subject to the same pathology of domination as that of slavery. Indeed, in another example such as that of *conflict diamonds* – those which are obviously obtained from relationships of domination – Aristotelians would not be able to invoke their trump card of value, as the marketization of these goods has no intrinsic human purpose in the pursuit of the good life (Satz 2010: 151-153). Admittedly, Aristotelians may be able to

¹ This is true of prostitution when examined as an economic practice. Linked to this however is a socio-cultural question which a Republican account of recognition would have to answer. In examples of prostitutes working under no measurable conditions of domination, such as that of highly salaried *call girls* – should this practice still be considered permissible? The Republican answer may still be no, without giving ethical reasons. If it could be ascertained that prostitution socially subordinates its practitioners, and quite plausibly, women more generally, then there are grounds to make the pragmatic decision to ban prostitution in all forms, because it may be a more direct route to allowing people to exercise their citizenship on equal terms, rather than opting for large scale, and some might suggest, implausible, socio-cognitive change (Satz 2010: 135).

give an instrumentalist argument, similar to which Republicans generally do, for prohibiting the sale of these goods, but there is nothing in their essential philosophical grammar that makes these goods absolutely unmarketable. The difference between these two types of instrumentalism, used by Aristotelians and neo-Roman Republicans, can then be exposed here, by looking briefly at the type of political-economy advocated by Civic Humanism. This shows why the two positions are not advocating the same policies, simply for different reasons.

The Aristotelian Civic Humanist economy, representing that of the neo-Athenian strand of Republicanism, is one organised around the idea of the good being that of active participation in collective self-government (Barber 2003; Sandel 1996). Hostility to the market here is predicted on it being inimical to Civic Humanism's teleological ends. Civic Humanism requires a particularly moralized understanding of virtue in this process – one that creates a teleologically focused active citizenry. In this account, virtue becomes the mechanism by which all economic activity must be judged. This could plausibly mean the articulation of a socialist-Republican economy by Civic Humanism, so that no one could live the un-virtuous life of the market (Miller 2000: 79-109) – this is something, as we will see, Republicans would want to resist for anti-bureaucratic reasons (Richardson 2002: 3-16; White 2008a: 12-13). But even assuming that the Civic Humanist economy was a market based one, problems would still remain. One could imagine that Civic Humanists would require the specific character of all work, for example, to be made fulfilling and virtuous so that it would foster person's capacities for self-government (Muirhead 2004: 60-62). Setting the question of plausibility aside – as a market economy, as indeed does any other type of economy, require menial and therefore one would think unfulfilling labour – it is ethically presumptuous to assume that work is the only avenue of fulfilment persons have, and that politics has a place in making these judgements (Rawls 1993). Republicanism can recognise

that practices such as work do have a specific value for persons, but this does not mean that this becomes the basis for designing and organising civic institutions. Indeed, it is in this regard that Civic Humanists and some other types of Aristotelians, advocate a *virtue*, as opposed to a *civic* economy (Glasman 1996: 19-28). For Civic Humanists, the economy is to be constrained, and made subservient to politics, whereas Republicanism should at least tentatively treat it as an instrument of non-domination, and include un-dominated economic activity as part of its commitment to the substantive and equal exercise of citizenship. This however is not a *carte blanche* recommendation of the market, as being synonymous with non-domination, to appreciate this, the Republican position will now be considered in relation to the Classical Liberal and Libertarian defences of freedom in the market.

The Classical Liberal and Libertarian Defence of the Market

Classical Liberals and contemporary Libertarians defend the market on the basis that it intrinsically safeguards the value of freedom. By and large this is a negative understanding of liberty – they suggest that the market respects a plurality of values, unlike that of the democratic state, as it is incapable of promoting a vision of the good life (Bellamy 1999: 17). It is in this sense that they defend the market on the very same grounds that Aristotelians condemn it, indeed, some radical Libertarians in this regard even suggest that every conceivable good possible can be marketized, preventing any recourse in the Aristotelian account to make the market palatable. Without a vision of the good life, and a plurality of values assured by the commodification of goods in the market, people are free to choose their own vision of perfection, if indeed they do have one, and to realise it, not impeded by any form of interference, under the mechanism of free exchange. Indeed, this sentiment is succinctly expressed by the Libertarian political-economist Milton Friedman:

“In order for men [sic] to advocate anything, they must in the first place be able to earn a living. This already raises a problem in a Socialist society, since all jobs are under the direct control of political authorities. It would take an act of self-denial....for a Socialist Government to permit its employees to advocate policies directly contrary to official doctrine.” (Friedman 1962: 16-17).

The market seen in these terms is a defender of plurality against that of the potential perfectionism and positive coercion of the state. The state subsumes all values and inevitably coercively implements its ethical programme, in this type of account, to the detriment of individual liberty.

Friedrich Hayek expressed this sentiment in ‘The Road to Serfdom’ (2001). Hayek suggested that the *spontaneity* of the market is that which makes the competitive economy embody freedom. When politics tries to *construct* or plan, Hayek suggested that it extinguishes freedom and creates the conditions of tyranny. It is in this regard that Hayek saw Communism, Fascism, and the spectre of Keynesian state planning, as all being part of this same phenomena – the embodiment of the tyrannical impulse to extinguish market spontaneity; that being the very safeguard of pluralism and freedom necessary for a liberal society. Without market choice, freedom, Hayek believed, would simply become adhering to the state’s ideal of perfection (Hayek 2001: 60-61; 1976: 8). This very idea of choice is essential to Hayek’s epistemology. Hayek suggested that it was utopian for state planners to assume that they could have *perfect knowledge* of the economy, not least because human beings do not often know themselves what they want. It is only through the mechanism of market spontaneity, that people can become aware of their desires, because of the capacity of choice the market provides, and the fact that the market can in kind respond to these desires through the feedbacks available in its own price mechanism (Hayek 2001: 62). In essence, Hayek believed that the market, contrary to Aristotelian assertions, is actually the prerequisite

for personal ethical development, if that is what persons wish, because of its pluralism and choice – that which cannot be embodied by the structures of a perfectionist, centrally-planned state.

This is something Republicans should agree with, a centrally planned state has a much greater capacity to become a perfectionist entity; one that embodies domination, as without other modes of recourse to assert one's values and ideals, individuals will inevitably be subject to the state's arbitrary control, even if the state itself does not exercise this capacity. It would have absolute discretion over livelihood, and therefore place everyone under its arbitrary control. Seen in these terms the market should be favoured to state-planning for Republicans, as it upholds a greater degree of plurality and resists the state's arbitrary power – a system of property ownership then, abstractly, can be seen as the instrument of non-domination (Sunstein 1997: 208; Waldron 1988: 17). The inegalitarian distribution of property however that characterises all market societies should cause concern for Republicans, where this distribution is translatable into political power – where it allows for certain members of a society, to exercise their citizenship on terms that are more advantageous than others.

This gives a basis for Republicans to instrumentally advocate the egalitarian distribution of property, but also to conceptualise the problem implicit in the Libertarian idea of *capitalism between consenting adults* (Nozick 1974: 163) – the idea that market choices are inherently free and rational, and therefore moral. As the prostitution example, in the previous section illustrated, the market is not always itself free from coercion – it contains significant asymmetries of power, that in certain circumstances constitute arbitrary relationships of domination. In the example of the person being forced to engage in prostitution out of dire economic compulsion, one of the plausible reasons for why this could not be resisted was the inegalitarian distribution of property. The person in the example could

not exercise their economic citizenship freely, on the same terms as the rest; they did not have their own property to rely upon in times of absolute necessity, and were therefore dominated by society's arbitrary distribution of wealth.² This is why, contrary to Classical Liberals and Libertarians, Republicans demand the regulation of the market, and the radical reform of actually existing capitalism (Leighton & White 2008). Whilst the Classical Liberal/Libertarian defence of plurality is admirable, its position is as equally blind to the reality of power in the market, as that of the Aristotelian position in the same regard. By defending the market on the value of freedom as non-interference, Classical Liberals and Libertarians cannot recognise that in certain circumstances, exchange is not voluntary, but rather it is implicitly imbued with the idea of a *threat* – the philosophical grammar of this, being the same as that of the arbitrary relationship between the master and slave (Pettit 2006: 144). Indeed one can imagine the example of a person living under the conditions of *wage slavery*, where they also cannot freely refuse their labour out of dire economic compulsion – a ruthless employer in such an example may use their arbitrary capacity to interfere with their employee and acquire their services, well below what the employee may consider fair, with the implicit threat of destitution, preventing them from freely refusing their alleged offer. What Republicanism has to demand in such examples is the regulation of the market, under very different background conditions of property and wealth distribution, so that exchange can be made implicitly free – where a transaction is in fact a genuine *offer*, and not a latent *threat*.

Indeed, the ability to constitute economic regulation is perfectly permissible in Republican theory (Pettit 2006: 145). Unlike Classical Liberals and Libertarians, Republicans

² The Republican account does need to focus in a Rawlsian sense on the arbitrary distributions of talents that create this distribution of wealth; it only needs to recognise the contingent relationship between the inequalitarian distribution of property and economic domination to make this assertion – however amiable Republicans find these arguments in egalitarian philosophy (Rawls 1999).

do not see all forms of interference as coercive. If interference is non-arbitrary – if it tracks the relevant aims and interests of citizens, under the standard of properly constituted laws – it is non-dominating, and therefore functions as the instrument of freedom. Indeed, the interference of the law is in fact the prerequisite for having a system of property ownership – this is something Hayek, as a Classical Liberal graciously accepts (Hayek 1976: 205-213; Pettit 1999: 50), and something Libertarians grudgingly admit, as a necessary evil, for their minimalist state (Friedman 1962: 26-27; Nozick 1974). Property ownership needs to be recognised by the state, for something to plausibly belong to a person (Ryan 1984; Waldron 1988) – by admitting that state regulation already plays an essential role in the economy, it then begins to seem implausible to suggest that further regulation is unjust (Cohen 1995: 53-61).

Indeed, state regulation, assuming that it is itself properly constrained through the relevant checks and balances of a theory of constitutional politics, does not in any way defy the Classical Liberal/Libertarian assertion of pluralism being found in the market. The mutual regulation of the state and the market by each other, rather is the best guarantee of pluralism – in conjunction with that of the counterweight of a strong civil society – as this guarantees freedom by allowing no one centre of social life to accumulate power (Sunstein 1997: 384). Indeed, this is particularly central to the ideal of the *Civic Economy*, without these regulatory structures one cannot assume that the market presupposes a free society – market economies, however incrementally reconfigured, have characterised totalitarian regimes; they only represent and articulate free pluralism where they exist in conjunction with democratic states, where the addressees of the law are also its authors, and where citizens are not prevented from exercising their rights, on free and equal terms to the rest of their peers. This means to have the balance of mutual regulation that assures free pluralism, not all goods can be marketable in the radical Libertarian sense, not for Aristotelian reasons, but because goods

such as votes, political office, legal entitlements, and an innumerable list of others, must be seen as distinctly *civic*, so that they can be instruments of politics' collective enterprise (Satz 2010: 104-108). The next section goes on to explore some of the institutional arrangements, and political proposals, that the Civic Economy has to embody to make this type of un-dominated market economics a reality. It suggests that many of the classical instruments of Republican theory can make the market exhibit greater freedom than it presently does, with the distribution of property and the substantive implementation of citizen's economic rights, to have the possibility of un-dominated exchange.

Section Two: The Civic Economy

To actually account for how non-domination can become an institutional reality, one has to consider the instruments of Republican liberty itself. Non-domination is not a good that can be maximised in a Utilitarian sense, as this would involve the creation of an index of the almost infinite and incremental permutations of freedom possible in society (Richardson 2006: 188-189), mirroring the epistemic problem of state-planning (Hayek 2001). Non-domination rather, is assured by the instruments of the Republican ideal – civic virtue, deliberation, the common good, and indeed in more contemporary versions, equality. In this account these values are used to serve freedom itself, rather than being given philosophical priority, as in other accounts of Republicanism (Honohan 2002: 152-154). This section examines these instruments of the Civic Economy in terms of the examples of work and wealth, as they express how non-domination can be indirectly assured. It is not this paper's claim that this is an entirely comprehensive account of the Civic Economy, but it does in these examples attempt to sketch out institutional and policy proposals that meet its central philosophical ideal.

Work

In resisting the Aristotelian metaphysics of fulfilment, Republicanism suggests, that work cannot be conceptualised as an arena that exists solely to foster the ethical identities of persons and to act as a conduit of the good life (Muirhead 2004: 2-3). Rather, what Republicanism is concerned with, is assuring that the terms of work's practice are free, that they do not foster or maintain arbitrary networks of domination. It is in this sense that one of the central political questions for Republicans, is if work provides an adequate means to a livelihood (Ryan 1984: 8-9)? If the market does not do this – if it creates significant unemployment, poor working practices with terms of income security, or indeed in-work poverty, there are then grounds for state intervention in the labour market. Indeed, to lack the resources of independent living is itself a form of domination – it is that which Republicans have called *wage slavery*, and variants of the socialist tradition have called *the proletarian condition*. To live dependent on the good graces of others is not to be free. When undominated, persons can assert their will and pursue their own ends – when they are dependent, they live a servile life, attendant to the concerns of their effective masters.

Arbitrary treatment in many ways then is what causes this form of dependency. When workers and employees do not have effective rights of employment they can be treated, not as citizens, but as wage slaves, dependent on their employer to sustain them just enough to secure their livelihood; it is this which creates income insecurity. To resist this treatment, citizens have to be assured effective economic rights in work, such as trade union organization, so they can deliberate with their employers to assure terms of employment and working practices that are non-arbitrary and therefore non-dominating (Hsieh 2008: 63). This may mean negotiations about the terms of dismissal from employment, the hazards and necessary protections involved for dangerous work, and discussions about the terms of leave, holidays, and maternity/paternity pay, for example. By legally recognising the right to

deliberation, citizens can in-work assure their freedom by being given an effective political voice and as such be able to tell their employers that their demands and terms are dominating.

By legally requiring employers to respond to these in kind, means that in deliberation an acceptable solution to both parties has to be found (Hsieh 2008: 59-60). This is important as it distinguishes the Republican position on union rights from that of Socialism. Republicans recognise that the deliberative consensus, although subject to re-negotiation, is one to be honoured. It is in this sense that it is tempered by the common good – if terms of non-domination are found and recognised, it is unreasonable for unions to make demands that are in the self-interest of only their members. This is particularly acute where the non-unionized citizenry are reliant upon the goods and services of those refusing their labour – Marxist-Socialism is imbued with a specific antagonism in its idea of *class struggle* that predicates the necessity of teleological conflict, whereas the ideal of Republican Civic Economy is one that requires consensus on non-domination; it is one tempered by its very own duty to orientate itself in the assurance of this value.

In the examples of unemployment and in-work poverty however more creative means may need to be employed to assure non-domination. This is where the Republican ideal of a *citizen's income* becomes apparent. Adapted from the idea of a *universal basic income* (Van Parijs 1995), much Republican attention has turned towards the possibility of rehabilitating this very concept, in terms that are productive of non-domination (Casassas 2007; Domènech & Raventós 2007; Pettit 2007; White 2007). The idea of a universal basic income, or UBI, is one that every person no matter what they choose to do with their life, ought to be assured and given in terms of a regular stipend, to fund their activities. Coming from the Left-Libertarian strand of political thought, the central philosophical ideal for this concept is to make freedom as non-interference an effective value; one where persons can be genuinely independent and positively pursue their own life pursuits. This seems, in the abstract, like an

attractive ideal for Republicans – when persons are unemployed or are suffering the effects of in-work poverty, a UBI would certainly provide a means against dependency, but as freedom as non-domination does not view all forms of interference as dominating, a wholehearted approval of a UBI may not be warranted.

Granting a UBI to those who wish to spend their time living a life of leisure is unproductive of non-domination. For people to be given a citizen's income they need to illustrate how their activities are productive of this essential value. It should be seen in these terms, as a means of making work pay, and rewarding those who do not work, as compensation for their productive efforts in civil society – that which assures theirs and others non-domination. This can be seen in the example of care work, where persons who engage in this activity, on the behalf of relatives, neighbours, and others, through various schemes, are not generally recognised as economic agents (Muirhead 2004: 16). These people act as the agents of other person's freedom, as those who require this care and assistance cannot otherwise exercise their citizenship on the same substantive terms to the rest of the citizenry (White 2008b: 135). A citizen's income recognises these contributions as a form of economic activity and makes it possible for those who engage in such essential civic work, a means to a livelihood. It is in this sense that a citizen's income is organized by the ideal of reciprocity or the common good and rewards virtuous citizens for their contributions towards non-domination (White 2003: p49-74). Indeed, with a citizens income ever present in a Republican society many of the externalities of working life could be negated and citizens may be able to overcome limitations, such as time (White 2008b), to focus on civic contributions more generally – this is a safeguard of liberty in the Republic, as a healthy civil society acts as a counterweight to the centralizations of power in both the state and the market (Howarth & Jamoul 2008). This also means that it gives citizens an effective *right of exit*, which is often only a formality in most standard Libertarian accounts – citizens, as a last

resort, have the means of an independent life beyond the discretionary working practices of their employment (Hsieh 2008: 61; Muirhead 2004: 77). In a sense what this points towards is the idea of having an amount of basic capital, to draw upon, in such circumstances of economic un-freedom. It is this that will now be discussed in relation to the Civic Economy's understanding of wealth.

Wealth

Like that of the property based objection to monarchies, Republicanism has also had a long-standing objection to the disparities of wealth between the various factions of society. The wealthy have been thought of as un-virtuous and self-interested and the poor as servile and without a means to even consider themselves as citizens (Viroli 2002: 76). If citizens are without a basic amount of wealth or property, they cannot assert their citizenship substantively and are often forced into arbitrary relationships of dependency. Those who have significantly more wealth, property, and assets, than others, can often translate this privilege into power. By being able to exercise their citizenship on terms above and beyond the rest of the citizenry, they hold the capacity to dominate them (Prabhakar 2008: 67). This means that when concentrations of wealth are translatable into power, they have to be broken by Republicanism and that in parallel to this, that every citizen must be assured at least a basic minimum of property.

Indeed, unlike certain egalitarian theories, the inegalitarian distribution of property, as of itself, does not necessarily need to cause concern for Republicans. This means that in many circumstances, properly constituted laws and appropriately adjusted levels of taxation provide enough barriers and state resources for government to assure the non-domination of its citizenry, from those who are income rich and asset wealthy (Pettit 2006: 139). It is in this sense that a Republican society is not a strictly egalitarian one – if people can be assured non-

domination and the substantive and equal exercise of their citizenship, politics' task is done; it does not require equality in an absolute or indeed in any other meaningful sense. What Republicanism is rather concerned with, is when wealth is translatable into power; this however is a common phenomenon in contemporary market societies and a realist Republicanism, as such, seeks to be understood in these terms as a *structurally egalitarian theory* (Pettit 1999: 113-116). This is to suggest that, policies that favour equality, almost never work to the detriment of non-domination – equality is in this sense an instrument of Republican freedom. So whilst in circumstances of citizens becoming very wealthy, for example, from the industry of luxury goods – where the goods in question have no political value (Anderson 1993: 167) – Republicanism, beyond requiring the appropriate levels of progressive taxation from these citizens, and negating the obvious environmental costs and other general externalities of their industry aside, has no principled objection to this acquisition of wealth.

In the example however of media assets – where the goods themselves obviously have a very highly pertinent political value – Republicanism requires the distribution of these assets, because of the implication of these concentrations of power for citizenship (White 2010: 36-37). If a small number of people can run an effective cartel, for providing the means to acquire politically relevant information – this distorts the exercise of citizenship itself. Economic monopolies have absolute discretion over the sale of their goods and services and as such have the potential to dominate citizens, especially in circumstances where what they provide are essential needs for human existence, such as food, clothing, and accommodation. Without the relevant accumulations of wealth being broken, market freedom is allowed to permeate into other spheres of civic life, such as in the media example with its ideal being complicit in the creation of market governance (Quill 2006; Slaughter 2005). By comparison however, the luxury goods industrialist is only to be interfered with if the assets they own are

being used in such a manner that is financing theirs or others unequal exercise of citizenship, above and beyond the terms enjoyed by the general citizenry. The luxury goods industrialist's non-domination is assured by their assets, but this is why it is as important that every citizen has something similar to prevent their domination.

The regulation of the market and the distributions of wealth that it requires, in a top-down sense, mean Republicanism being highly weary of any concentrations of power in the economy. In a bottom-up sense however, these distributions of wealth have to be shared across the general citizenry and are not subject to any particular concentrations of power in the economy. This means that the otherwise un-propertied have the same reserves of capital for their security, and therefore hold the same civic powers, as those that under the conditions of *laissez-faire* free market capitalism, and its more progressive Social-Democratic welfare-state alternative, take for granted. With every citizen having a basic amount of wealth to draw upon in times of absolute necessity, this assures the substantive status and equal exercise of their citizenship – they can preserve themselves from the domination of the market, as what they have in effect is an immunity from exploitation (Paxton & White 2006: 3). This orientates the intuitions of the Republican Civic Economy to something that resembles Rawls' *Property-Ownning Democracy* (Dagger 2006: 160; McIvor 2009: 261; Richardson 2006: 180-183; White 2012). As Rawls makes clear, the *laissez-faire* capitalist economy is a purely formal ideal – it fails to recognise *the fair value of equal liberties* or as stated, in Republican terms, it does not provide for an ideal that allows the substantive and equal exercise of citizenship (De Francisco 2006; White 2012). The Social-Democratic welfare-state alternative however, although in Rawls' terms is a marked improvement, with its concern for equal opportunity, fails also on the same criteria. It ultimately allows huge inequalities of wealth, which are translatable into power, preventing the fair and equal value of political liberties. The welfare-state regime only distributes incomes *ex post* through the

tax system, it does not give enough thought to the necessity of *ex ante* distributions of wealth, that have to be made to assure the background conditions for the substantive and equal exercise of citizenship (Rawls 2001: 137-138). Indeed as Rawls remarks of welfare-state capitalism:

“Yet given the lack of background justice and inequalities in income and wealth, there may develop a discouraged and depressed underclass, many of whose members are chronically dependent on welfare.” (Rawls 2001: 140)

A Republican economy, in these terms, although regulatory, cannot then be Social-Democratic, but rather is one that has to articulate the necessity of universal property ownership (Simon 1991). The Civic Economy exists so that people can look each other in the eye without deference or servility, and allows citizens to live free from relationships of dependency, which often constitute their un-freedom.

Indeed, this is a long standing Republican trope, its ideal of political-economy traditionally has been one where citizens could own enough to prevent themselves becoming dependent on others, but never owning as much to render others dependent on themselves (McIvor 2009: 257). In the seventeenth and eighteenth centuries, this took the historical form of physical assets, such as land, in the Republican-agrarian ideal, but in contemporary circumstances, property can be thought of as wealth, or specifically as *capital assets*. By distributing to citizens an amount of *basic capital*, they can have the same immunity from exploitation as those that under otherwise constituted property-based regimes have (Simon 1991: 1336-1337). Like that of the idea of citizen's income however, this ideal has to be made productive of non-domination. The same objections apply here regarding the misuse and appropriateness of basic capital. In Bruce Ackerman and Anne Alstott's account of this ideal 'The Stakeholder Society' (1999), they make the argument that every person upon

maturity should be given a basic capital grant, which they can use to give themselves the same opportunities as the rest of their peers, in their own society. Where this idea of opportunity relates to the exercise of citizenship itself, Republicanism sees the value of Ackerman and Alstott's basic stake – but it is an assumption however to believe that its ideal will always work to this end. In terms of positive freedom, basic capital fuels persons' ability to pursue their own projects, in this sense it is a means to an autonomous life; it pays for people to live a life, fostering their capacities, and pursuing their own ethical and moral development (White 2003: 193).

In less perfectionist terms however, this opens up the possibility that persons then might chose lives that are without reciprocity or civic obligation, this is something that is not productive of non-domination. It means much the same thing as someone using their universal basic income to live a life of luxury and leisure. As a means of opportunity however, it could also have the unintended consequence of it being a way for people to compete for higher incomes in the market, with simply a more egalitarian starting point, it could mean outcomes of domination being created, because of its lack of concern for the distributions of power therein. Once the rules of the game have been changed, citizens could wither away their basic capital and others could gain what they had lost, this could create an inegalitarian and a potentially dominating distribution of power (Krouse & McPherson 1988: 94). Republican basic income then, in this sense, has to be made conditional on it being productive of citizens' non-domination (Paxton, Pearce & White 2006: 180). It should be seen as a corollary to a citizens' income, for those who are asset poor, for those who do not receive inheritance or indeed capital gifts. It is in this sense that it is not a universal ideal, nor is it however one that is organized around the idea of opportunity, but one designed to come through on the promise of a property-owning democracy itself, where Republican basic capital is thought of as akin to physical assets that should only be drawn upon in times of

necessity, to resist domination, and to be a means to assure the substantive and equal exercise of citizenship (Paxton, Pearce & White 2006: 181-190).

Republican basic capital can be thought of as the distribution of equal powers to the un-propertied in the economy, and the discharge of the wealthy's civic duty to non-domination by financing this scheme. Through the progressive taxation of inheritance and incomes, and the distribution of market-concentrated and potentially dominating assets, wealth distributions can be made to citizens, who otherwise do not have these protections. It is in this sense that Republicanism is a wealth-egalitarian theory, but not necessarily an income-egalitarian programme. Its political priority is to give citizens equal powers, so that their non-domination is assured – it does not want to quash the dynamism of the market or force a particular vision of economic life upon citizens, it only wants to resist the contingent and dominating effects of the market, so that persons can see themselves as free citizens, and not live a life as either an obsequious wage slave, or as an deferential servant to those who command the wealth and power of the modern market economy. The Civic Economy, like Rawls' idea of a property owning democracy, exists as a means to assure the fair and equal value of civil liberties, or in Republican terms, the substantive and equal exercise of citizenship.

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