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# Democracy and Capitalism: Oil and Water?

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We might consider freedom and equality the opposite poles that give democracy its magnetism. Although there are many competing “models” of democracy, all of them share a commitment to some form of human *equality*.<sup>1</sup> The first “self-evident truth” named in *Declaration of Independence*, for example, is the belief that “all men are created equal.” Lincoln opens the *Gettysburg Address* by invoking the idea: “Fourscore and seven years ago our fathers brought forth on this continent a new nation, conceived in liberty and dedicated to the proposition that all men are created equal.” Martin Luther King, Jr. orients his most famous speech by the principle: “I have a dream that one day this nation will rise up and live out the true meaning of its creed: We hold these truths to be self-evident: that all men are created equal.”

If equality is so central to the foundations and ideals of the United States, what do we mean by this rhetorically powerful but often ambiguous term? Equality of *what*? Equality *for whom*? As many have noticed, recent history tells the story of the parallel ascendance of democratic forms of governance and free markets. What is the relationship between capitalism and democracy? In this short paper, I will present a few troubling questions to organize our thinking about the relationship amongst democracy, equality, and capitalism.

The notion of universal human equality gained momentum through philosophers of the 17th and 18th centuries, culminating in Immanuel Kant’s conception of the freedom and dignity of all rational humans. Although Kant had trouble perceiving the dignity of all humans—several of his comments are undeniably sexist and racist—over time his arguments came to inform the belief that we should measure our progress by the degree to which we recognize and protect human equality.

The idea of human equality would have been considered absurd for much of human history. Despite a variety of religious traditions that speak of the equality of the soul, this often meant little in terms of social justice. If one was born into the favored race, ethnicity, caste, gender, or family—or if one possessed special beauty, skills, or wealth—she would be considered superior and

would enjoy the lion’s share of social benefits. We might associate such inequality with unenlightened ancient cultures, but our own nation’s history should remind us of the fragility of this newborn social value. Some signatories of the *Declaration of Independence* owned slaves, and the United States existed for nearly 150 years before the Constitution was amended to allow women the right to vote. Recent debates over gay marriage and health care make us wonder if equality will survive these growing pains. To paraphrase Orwell, some are more equal than others.

This should lead us to ask two basic but knotty questions: *Who* deserves equality and of *what* do they deserve equal proportions? Beginning with the question of who should be treated equally, set aside for a moment surprisingly difficult cases of non-human animals, fetuses, or humans in persistent vegetative states.<sup>2</sup> For the sake of argument, let us also ignore questions regarding whether convicted criminals should be considered equal to the innocent.<sup>3</sup> Focus on the simplest cases of “fully-functioning” humans. If we have a moral responsibility to treat all such people with dignity, should one’s nationality be relevant to whether she is treated as an equal? If “all humans are created equal,” why should geopolitical boundaries limit our responsibilities to treat all humans with the same respect? Consider how such a question relates to immigration policy. When politicians assert that it is too expensive to allow immigrants from Central and South America to enjoy the benefits of U.S. citizenship, for example, do they imply that those denied citizenship do not deserve equality? Similarly, why would we treat children born in the United States differently from those born in Iraq? Participants in large-scale conflicts often refuse to recognize opponents as equal in moral worth, and demonizing the enemy is unfortunately not an antiquated practice. A 2006 study of U.S. soldiers serving in Iraq found that less than half believed that “all *noncombatants* should be treated with dignity and respect.”<sup>4</sup>

Here we can ask equality of *what*? We might assert an aggressive version of equality, claiming that everyone deserves the same share of all essential goods: food,

housing, education, health care, leisure, etc. We can call this *basic material equality*. Given that most modern democracies exist within capitalist economies, this seems like an untenable reading of equality for these institutions. Capitalism demands competition. Competition creates winners and losers, rich and poor. Capitalism therefore seems to require, at a basic structural level, material *inequality* of some kind. Marx worried that such inequality would be severe: “the accumulation of wealth at one pole of society is...at the same time accumulation of misery, the torment of labor, slavery, ignorance, brutalization, and moral degradation at the opposite pole...”<sup>5</sup> For Marx, “democracy is the road to socialism” and ultimately to a radical form of equality according to which we would distribute goods “to each according to his needs.”<sup>6</sup>

Although Marx’s argument is unlikely to persuade those convinced of the necessary relation between democracy and capitalism, an example may illuminate the importance of material equality. If private corporations come to own significant portions of the diminishing supply of world’s drinking water and distribute it according to free markets, what would this mean for those who lack resources to buy clean water? If one cannot afford water, food, housing, or health care within free markets, she effectively cannot afford to live. If material wealth determines who lives and who dies, this seems like a severe affront to human equality.

If some version of material equality requires too much redistribution of wealth to be compatible with capitalism, perhaps we should think in terms of *equality of opportunity*.<sup>7</sup> In this view, material inequalities are justifiable so long as individuals compete on some sort of “level playing field.”

Education plays an important role in such a theory, because it seems to be the “great equalizer”: even if I am born disadvantaged, hard work and a quality education should be all that I need to compete with everyone else. Setting aside differences in aptitude that might give some advantages on this supposedly level playing field, I imagine that most of us appreciate the vast differences in the qualities of education even within the United States. The wealthiest can send their children to private schools like Phillips Exeter Academy for the best education money can buy. Children learning in badly underfunded and often dangerous schools—whether urban or rural—surely do not receive an equal education to those attending prestigious private schools. A different example may hit closer to home for many of our students who work full-time jobs during the semester. If they hope to apply to law school, medical school, or some other com-

petitive programs, their grade point averages will compete with those of students who could afford to attend the finest private schools, who did not work at anything other than maintaining their grades during college, and who enjoyed tutoring from private firms like Princeton Review. If this seems unfair, it is probably because it offends your intuitions regarding principles of equality.

Perhaps *equality of opportunity* demands too much within capitalism, and instead we should prefer an even thinner conception that provides for *equality under the law*. Such a view would require only that the state afford individuals equal status in certain legal respects, for instance, in voting rights or the ability to enter into contracts. Here the emphasis is on the state not discriminating—for example, by forbidding women to own property—rather than on distributing some benefits equally. So long as everyone has a vote and the ability to enter into contracts, the argument goes, democracy need not guarantee any thicker form of equality if states apply the laws fairly. I imagine that readers will be suspicious here as well, as we all know that the law applies “more equally” to those who can afford the most skilled attorneys. The shadowy and extrajudicial status of prisoners at Guantanamo Bay Detainment Camp raises additional concerns that wartime provisions further undercut even the barest guarantees of equality before the law.

We often find this minimal conception of equality alongside arguments for allowing unfettered markets to determine social policy. According to this belief, people should effectively “vote with their dollars.” If enough people want fuel-efficient vehicles, the automotive manufacturers that produce the best value fuel-efficient vehicles will thrive. The government need not interfere with market forces. Notice, however, that within such a process those with more money have more votes to influence policy. If a small percentage controls the majority of wealth, this seems fundamentally opposed to even minimal conceptions of democracy requiring equality in voting procedures. Such concerns arise in contemporary Iraq, given that revenue from Iraqi oil promised to provide the wealth required to “build a democracy.” Will the competition for these profits ultimately advance or hinder the future of equality in Iraq? Will the “invisible hand” shepherd Iraq toward democracy or will it squeeze that last breath of egalitarianism from its throat?

Nobel prize-winning economist Amartya Sen, once claimed that “no substantial famine has ever occurred in any independent country with a democratic form of government and a relatively free press.”<sup>8</sup> I suspect, how-

ever, that only democracies with some commitment to equality deserve this praise, and I wonder if we will be able to say the same for democracies of the future. If the popular slogan maintains that “freedom isn’t free,” is the price of universal equality becoming just too expensive? The answer to that question may, quite honestly, be yes. If so, we should wonder how we became too impoverished to honor the values of Jefferson, Lincoln, and King.

## Endnotes

<sup>1</sup> David Held, *Models of Democracy* (Palo Alto: Stanford University Press, 2006).

<sup>2</sup> For those interested in such issues, I encourage you to consider my course titled Law, Medicine, and Morals (Philosophy 660).

<sup>3</sup> For those interested in questions of punishment and justice, consider taking my course titled Philosophy of Law (Philosophy 635).

<sup>4</sup> Office of the Surgeon Multinational Force-Iraq and Office of the Surgeon General United States Army Medical Command, “Final Report: Mental Health Advisory Team IV Operation Iraqi Freedom,” (2006): 35 (emphasis mine).

<sup>5</sup> Karl Marx, *Capital Volume I*, trans. Ben Fowkes (New York: Penguin, 1992), 799. I will be teaching an undergraduate seminar titled “Marx and His Critics” in the spring of 2008.

<sup>6</sup> Karl Marx, “Critique of the Gotha Program,” in *The Marx-Engels Reader*, ed. Robert Tucker (New York: Norton, 1978), 531.

<sup>7</sup> For a helpful overview of philosophical problems related to notions of “equality of opportunity,” see Richard Arneson’s entry for the *Stanford Encyclopedia of philosophy*: <http://plato.stanford.edu/entries/equal-opportunity/>.

<sup>8</sup> Amartya Sen, *Development as Freedom* (New York: Knopf, 1999), 152.