



Reviews

DAVID SCHMIDTZ and ROBERT E. GOODIN (1998) *Social Welfare and Individual Responsibility: For and Against*. Cambridge: Cambridge University Press, 222 + xviii pp., \$49.95 cloth; \$14.95 paper.

This volume is the first of an announced series of essays in a “for and against” format, where philosophers will articulate strongly contrasting positions on some common topic. In the book under review, the topic is whether responsibility for personal welfare should rest with the individual as mediated through various market-generated institutions and organizations, or with the state. David Schmitz argues for reliance upon markets and voluntary association. Robert Goodin argues for the state as the guarantor of material welfare.

The reader won’t find anything new here. The two essays are fairly well articulated expressions of the respective positions. Schmitz argues against casting the dichotomy as one between individual and collective responsibility, in favor of casting it as one between internalized and externalized responsibility. He is right in doing this. Collectivists are all too ready to portray the alternative to state-controlled welfare as some reversion to rugged individualism where people have no resources save what they can muster on their own. This favorite leftist caricature of a liberal order finds no counterpart in history. Liberal orders were characteristically populated by a dense network of institutions and organizations that supported individuals in their pursuits of happiness.

Such mutual aid does not fit within the common dichotomy between individual and collective responsibility that so commonly appears in leftist-inspired writing. It is plain enough why leftists invoke this dichotomy. If this were the relevant dichotomy, nearly everyone, I am quite sure, would choose collective responsibility. In our time, leftists have done far better than liberals in recognizing the power of language to frame issues and set agendas. Schmitz recognizes that to accept an individual-collective dichotomy is to grant the moral high ground to the leftists. It is also to paint a false portrayal of what the relevant alternative really is.

The relevant alternative is between internal and external loci of responsibility. When the signers of the American Declaration of Independence pledged to each other their lives, their fortunes, and their sacred honors, they were internalizing responsibility for their welfare. When Franklin D. Roosevelt offered a chicken in every pot, he was articulating a program of externalized responsibility. A solitary individual with a fat bank account illustrates one internal form of responsibility. An individual with a thin bank account who participates in a friendly society illustrates a different form of internal responsibility. Although Schmitz doesn’t say this, it is clear that internal responsibility emerges out of free association.

Schmitz has a nice discussion of friendly societies that illustrates his distinction between internal and external responsibility. Into the first third of this century, friendly societies organized mutual aid of various forms. For instance, medical care for rich and poor alike was commonly organized within friendly societies. The demise of friendly societies was

brought about by the exercise of state power on behalf of people who were trying to get a competitive advantage that they could not attain through ordinary liberal processes. In particular, an alliance of medical associations and insurance companies was able to generate political support to take away the competitive ability of the friendly societies. This was accomplished through such devices as setting minimum fees that the friendly societies had to charge, and requiring people to pay through taxation for state-supported services even if they didn't use them.

Schmidtz is thus arguing not for some leftist caricature of individual responsibility, but for a regime of internalized responsibility. That regime itself emerges as people interact within a framework of private property and free association. The central thrust of his argument is summarized by that aphorism: a rising tide lifts all boats. Indeed, one of the chapters is titled "the tide of wealth." The crux of this argument is grounded in the superiority of private property as a framework within which economic activity is organized. He illustrates his point by recounting the early history of the Jamestown colony, which nearly died out when it was organized through common property and externalized responsibility.

In his argument for a regime based on private property, Schmidtz revisits an earlier argument about the Lockean proviso. According to that proviso, the appropriation of land from common to private ownership is warranted only if what remains for others is as much and as good. Most modern commentators hold that the Lockean proviso argues against private property, at least in land. Schmidtz argues the contrary, and does so in a form of comparative systems analytics.

To use an illustration with small numbers, suppose there are 100 people and 1,000 acres. To further simplify, this would be some homogeneous plain from location theory. In this setting each person could appropriate ten acres, ignoring all those not present, including the unborn. Otherwise, some form of hedonic calculus would have to be employed, where each person claimed an appropriation on a pro rata basis. As population per acre rises, allowable appropriation diminishes.

This common formulation, Schmidtz notes, is erroneous because it treats the land as identical whether it is held in common or privately. If land is employed more productively when held privately, however, a shift from common to private ownership is equivalent to an expansion in the stock of land. How much of an expansion depends, of course, on the productivity differential between the two arrangements. In any case, Schmidtz presents a nice reformulation of the Lockean proviso in a manner consistent with the economic theory of property arrangements.

In contrast to Schmidtz, Robert Goodin argues for the externalization of responsibility for material welfare through the state. To be sure, Goodin refers to collective responsibility and not external responsibility. Goodin is a man of the left who surely recognizes that acceptance of the individual-collective dichotomy gives a boost to leftist causes. Goodin does raise some difficult and important issues, even if he frames them inaptly.

Much of the recent emphasis on welfare reform has stressed work over welfare. Mothers on welfare are supposed to go to work. As Goodin notes, it does seem more than a bit peculiar to encourage mothers with young children to go to work. To the contrary, Goodin argues for their ability to be supported while staying at home with their children. With respect to the language and distinctions that were employed in long ago debates over the poor laws,

Goodin argues that welfare mothers should be treated like the widows of old, whereas the thrust of recent efforts at welfare reform has been to treat them as able-bodied poor.

There is no doubt that Goodin raises a terribly knotty issue. The pregnancy of the mother-to-be is taken as an exogenous given. Pregnancy just happens, and the relevant question is where to go from there. At this stage there are no options that are free of contention. The first alternative to be faced is between abortion and bearing the child. Choosing birth confronts the mother with the alternative of keeping the child or giving it up for adoption. And if the mother keeps the child, does she care for it at home or does she use some other arrangement while she works.

Goodin's conclusion from exploring and examining such situations is to treat welfare mothers as the widows of old, and to provide them with comparable support from the state. It might be possible to speak of a singular instance where getting pregnant was an act of God, but otherwise pregnancy arises out of the copulatory choices of two people. A good deal of controversy has arisen over whether welfare guarantees play a part in such pregnancies. In these days where instruments of birth control are promoted in the schools and made freely available, copulation without pregnancy is clearly an easy option to pursue. This would render pregnancy much more a matter of choice than it was a generation or more ago. Shotgun weddings have declined sharply over the past generation. Do welfare guarantees have anything to do with this? Some answer in the affirmative, others do not.

Goodin does not address this or many other related kinds of issues that have arisen concerning the possible relationship between welfare today and welfare tomorrow. Much of the growing criticism of welfare that inspired some of the recent reformist efforts was based on arguments that an increase in welfare spending today would increase the present value of future welfare spending. Such a finding was, of course, directly at odds with claims that welfare was a remedy for life's exogenous misfortunes that produced widows and orphans. The newer thinking came to be that as welfare became more readily available, the stock of widow-and-orphan look-alikes would expand. Goodin will entertain no such possibility. In citing a statement by Ronald Reagan that the success of welfare can be gauged by its ability to reduce future resorts to welfare, Goodin consigns such sentiments of personal responsibility to the "meaner fringes of the political right" (p. 103). In the same vein, he asserts that opposition to state-supplied welfare is predominately a form of disguised racism. It doesn't seem to matter that the great majority of welfare recipients are white.

This book was a disappointment to read. I don't fault the authors for this. Each author provided a good statement of his position. The disappointment resides in the book's failure to exploit the opportunity to join issues that was its announced intent. For instance, Goodin adopts a framework where there are a fixed supply of jobs, with people who are poor being to a large extent victims of a structural unemployment that finds them living in places where there are no jobs. Schmidt's framework is one where the complement of scarcity implies unlimited jobs. (Actually, neither author articulates an explicit economic model. I am inferring the models that seem to have informed their thinking.)

Nowhere in the book, however, is any effort made to join some kind of debate. That debate could occur along any of a number of fronts, as has been occurring among many participants for quite some time in the professional literature. Goodin argues that welfare

is necessary because recipients face no alternatives. No evidence is presented in support. Schmitz would presumably attribute much of the welfare caseload to a weakness of will, which makes it possible to say that a good deal of poverty stems from the choices people make. But no issue was joined, either here or elsewhere in this volume. What we have here are two ships passing each other by gently in the night, where what we were promised was a conscience-shaking collision. A collision could have been enlightening. What we have before us, however, will be of interest only to novices—and for them more efficient sources of enlightenment are available.

Richard E. Wagner

George Mason University
Fairfax, VA 22030
USA