

Editorial



Gert G. Wagner,

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"What social justice means in our day and age"

Evidently it is no longer possible to give a single satisfactory answer to the question of what 'social justice' means in our day and age. One could even conclude – as does American philosopher Michael Walzer – that there is no point in trying to formulate a comprehensive concept of justice, and that it is only possible to define local 'spheres of justice' with respect to clearly circumscribed issues. One does not have to go this far, however: empirical research shows that the majority of people in western societies agree with liberal principles. These principles do not provide an easy answer to the popular question of what social justice is today. One thing is clear, however: even liberal principles strongly confirm that justice cannot be achieved if the state reduces its role to that of a Florence Nightingale or even – as some economists propose – of a night watchman.

Liberal philosopher John Rawls asks how to set up in a rational manner a constitution for a society which satisfies individual aims. As a basic prescription for determining fair rules of 'justice' in society he proposes a 'veil of ignorance' that is to shield constitution-makers from knowledge of their own position in society. By placing themselves behind this veil, they are to formulate rules for society unbiased by considerations of their own strengths. Rawls argues that behind this veil, risk-averse constitution-makers would be careful to choose a social order designed to effectively prevent poverty and to give those at the low end of the social ladder a better position than they would hold under other constitutions. Behind the veil of ignorance, this choice would be rational for egoists in particular, because they cannot know whether they might – at some point in the future – find themselves among the disadvantaged. One can argue that Rawls's conclusions cannot be unequivocally deduced from his assumptions. However, – and maybe more importantly – it is true that a lot of people feel that Rawls's concept of the 'veil of ignorance' is really helpful for the identification of arguments which rational individuals should use in the discussion of a 'just' constitution and just policies.

Rawls's prescription is, by the way, an ancient one. It can be found in texts as far back as the Old and the New Testament. Indeed, the commandment to 'love thy neighbor as thyself' in no way forbids people to be selfish, but it requires that they grant others the same chances that they themselves enjoy. The Anglo-Saxon legal theorist Ronald Dworkin is one of several critics who see Rawls as having fallen short of his objective to construct a just society. According to Dworkin, while the 'veil of ignorance' makes sense, it is also just for the state to help only those whose misfortune has caused them to slip to the lowest levels of society, while refusing to reward idleness for which people are responsible themselves. The risk of immoral behaviour implicit in this is called 'moral hazard' by economists. Outside of paradise, where resources are scarce, this is undoubtedly a rational recommendation. It is obvious that

private insurances are good means to reach the aim of protection against 'bad luck' without rewarding idleness.

Economist Robert J. Shiller, in his recent bestseller 'The New Financial Order: Risk in the 21st Century', gives a lot of examples of the power of well-designed insurance schemes. However, some of the insurance policies which people want to buy in front of the veil of ignorance demand state regulation. If women, for example, want not to be 'penalized' for their longer life expectancy and higher costs of medical care due – among other things – to giving birth, private insurances cannot provide this kind of policy without proper regulation. The discussion initiated by the European Commission on 'unisex insurance rates' that would set men and women on equal terms is a fine example of modern thinking about social justice.

Generalizing the idea of responsibility, philosopher Richard Arneson argues that people should be responsible only for those actions which they have control over. Then – according to US political economist John E. Roemer – free competition should be allowed to develop only after equal starting conditions for individual welfare have been created, because individuals should not be blamed for their genes and the living conditions of their parents.

Can the philosophies of justice developed by Rawls, Dworkin and Roemer make any contribution to the contemporary dispute over 'justice' in a modern society? Yes, they can. These prescriptions are not nearly as unrealistic as they may at first appear.

According to Rawls a social assistance scheme is necessary to fight poverty. According to Dworkin the state must guarantee insurances for many risks. However, in order to minimize moral hazard, insurance plans should not offer full coverage, but rather create incentives against moral hazard by asking for deductibles. Thus, a lot of 'cuts' in the traditional welfare state are not unjust, but reforms which are in line with this idea.

More important today might be Roemer's conclusion that a just society must try to equalize opportunities for welfare. Empirical evidence for Germany shows that this aim is supported by a large majority of citizens. Obviously an educational system with an appropriate form of public funding is necessary to give a level playing field. However, tuition paid by students is useful in order to encourage individual responsibility, but tuition schemes must be accompanied by comprehensive scholarship schemes. Last but not least – maybe more surprisingly – according to liberal principles a well-conceived inheritance tax is clearly another important element in the creation of equal starting conditions.