

Wealth, Consumption and Power

Abstract. Why are inequalities of wealth bad? On one view, they are bad because they yield inequalities of consumption. They allow the rich to consume much more than the poor. On another, they are bad because they yield inequalities of power. They give the rich asymmetric power over the poor. I argue that the first view is mistaken. When we care about inequalities of wealth, we rarely care about inequalities of consumption. The second view, so I argue, is far better. But, unfortunately, most authors misstate this second view. They focus on how the rich can influence the political system. This is blinkered: wealth generates power in a far more direct and pervasive way than through its connection to political influence. The rich can simply pay the rest of us to do what they want. I argue that the asymmetry of power this creates makes the relationship between rich and poor an objectionably inequalitarian relationship, akin to subordination. That, I argue, is the deepest problem with inequalities of wealth.

Keywords: Inequality; Distributive justice; Relational egalitarianism; Philanthropy; Global Justice

Word Count: 9,719

1 Introduction

Why are inequalities of wealth bad? Consider, for instance, Jeff Bezos. At the time of writing Bezos has a net worth of 175 billion dollars. The median American family, in contrast, has a net worth of ninety-seven thousand dollars. This difference is so vast that it can be a little hard to conceptualize. But here's a mental crutch: imagine that a single grain of rice represents a hundred thousand dollars. The average American household has roughly one grain of rice. Bezos has two hundred and fifty *pounds* of rice. He has a whole mound of rice, enough rice to feed a family for a year. This mound represents immensely more wealth than

the average American household. And this difference in wealth between Jeff Bezos and ordinary Americans is disquieting. But why? What is bad about such inequalities of wealth?

One view is that inequalities of wealth are bad because they lead to inequalities of consumption. One consumes something, let's say, when one uses it up in service of one's goals. One's total consumption is the total amount of resources one uses up in such service. If you are extremely wealthy, your consumption consists in Lamborghinis, mansions, yachts. The consumption of the well-to-do is more prosaic: it is Toyotas, suburban houses, vacations in Los Cabos. The consumption of the very poor is still sparser. Here we might focus on life's necessities: food, clothing, shelter. The view is that it is bad when some people consume copiously and others very little. It is in virtue of this that inequalities of wealth are bad.

A second view is that inequalities of wealth are bad because they constitute inequalities of power. One has power over someone, let's say, when one can get them to do what one wants them to do. The idea is that wealth is congealed power: Jeff Bezos's vast fortune allows him to direct the activities of a great army of ordinary Americans. He can do this by paying them. If Bezos gives me a million dollars, I'll spend a year as his personal assistant. If he creates a system of grants for research into his pet project, researchers will research his project. If he starts a company to build rocket ships, he can hire the engineers. The problem here is not primarily that Bezos can influence the political process. Rather it is that Bezos's wealth means that he can direct the activities of his fellow citizens through utterly quotidian means: he can offer them money to do things. This is power they do not have over him; no ordinary citizens can pay Bezos to do what they want. He doesn't need the money. The view is that it is bad when some have asymmetric power over others. It is in virtue of this that inequalities of wealth are bad.

My goal in this paper is to decide between these views. I will argue, in the next section, that inequalities of consumption are not particularly

disquieting. That's not to say we don't care about consumption: we do. But what we care about when we care about consumption is not equality. Rather, we care about people's absolute level of consumption, in part because this determines whether their urgent needs are met. In section 2, I will lay out and defend the second view. The view is that relationships of subordination and domination are in part constituted by inequalities of power. Inequalities of wealth give rise to such inequalities. So, they give rise to these inegalitarian relationships. In section 3 we'll apply this view to two issues implicating the distribution of wealth. The first is the moral standing of philanthropy by the very rich. The second is that of inequalities of wealth across national borders. We can illuminate both issues, I think, by being clear on our basic concern about inequalities of wealth: that they constitute inequalities of power.

I do not take the view I defend to be a novel view. I think it is common in both past and present discourse. It is, for example, roughly the view that Rousseau expresses when he enjoins that "in respect of riches, no citizen shall ever be wealthy enough to buy another, and none poor enough to be forced to sell himself" (SC. 2. 11). Rawls endorses it when he cites the need to control economic inequalities in order to "prevent one part of society from dominating the rest" (Rawls, 2001, 131). Scanlon mentions it in passing several times.¹ So my aim is not to surprise the reader with some bizarre but ingeniously defended position. Rather, to borrow some words from Niko Kolodny, it is to "come to terms with what is more or less in plain view, something that we are prone to look past, in the search for a more involved, hidden explanation." (Kolodny 2014*a*, 218). It is to outline a position that I hope the reader will find both familiar and attractive, a position they will recognize as their own, but which has not yet received the explicit formulation that it deserves. Yet, before turning to that, let us look at

¹See Scanlon (2003, 205) and Scanlon (2018, 2, 5–6, 8–9). But I do mean 'in passing'. He never, in these scattered remarks, devotes more than three contiguous sentences to the idea. And his main concern is that inequalities in wealth gives people unequal power over the political process (Scanlon, 2018, 74–94). This was also Rousseau's and Rawls's stated concern: both worried that economic inequalities would translate into political inequalities. As we'll see, I think that this is a blinkered conception of how wealth translates into power.

the view that inequalities of wealth are bad because they generate inequalities of consumption.²

2 Consumption

2.1 Well-being

The rich consume more than the poor. They use up more material resources in the service of their whims, wants and wishes. Why might we think that this is objectionable? The simplest explanation, it seems to me, is that such differential consumption leads to differential well-being. There are many ways to explain why that might happen. The most straightforward goes via the claim that well-being is constituted, in part or whole, by preference satisfaction; one's life goes better when more of one's actual preferences get satisfied.³ The satisfaction of many of one's preferences hinge on the ownership of material objections: on owning boats, cars, houses. The satisfaction of many other preferences hinge on the experiences that money can buy. Thus, it seems plausible that the wealthy, since they consume more, will have more of their preferences satisfied than do the poor. So, they will have more well-being. Now the key idea is that inequalities of well-being are bad in themselves. It is bad for some to be better off than others. And thus, inequalities of wealth are bad, since, by creating inequalities in consumption, they generate inequalities of well-being.

² Why address this view at length? Mainly, because I believe it is the view that underlies much popular discussion of material inequality. But, secondarily, because it underlies the positions or examples that many philosophers have endorsed (or at least taken seriously). For the citations see n.3, n.4, n5, n.10 and n11.

³ Both Dworkin (1981) and Cohen's (1989) take this view seriously but reject it. I take Dworkin's considered view, in his (1981), to simply pass on the question with which I began the paper. He gives no explanation for why inequality of resources is bad. Cohen's considered view is that inequalities of wealth are bad because they instantiate unequal access to advantage (Cohen 1989, 907). The notion of advantage is only thinly characterized, but is partly tied to welfare (1989, 920–21). So many of the points I make in the text will also apply to Cohen's view. More fundamentally, it is telling that both authors focus on examples which involve the *consumption* of resources. They talk about people with expensive tastes eating plovers' eggs, drinking claret (Dworkin 1981, 228–34; Cohen 1989, 922–23), or watching bullfights (Dworkin 1981, 56–57; Cohen 1989, 925). They talk about the handicapped paying for physiotherapy (Dworkin 1981, 241), or wheelchairs (Cohen 1989, 918), or pain medication (ibid., 919). In each case what is at issue is consuming something. So, plausibly, both think that it is inequalities of consumption that really arouse our egalitarian concern.

One needn't have this view of well-being to get the same result. Suppose one thinks that well-being consists, in part, of pleasure. How good one's life is, in part, determined by how good it feels. Again, it is plausible that consumption gives rise to such states.⁴ It is a lot nicer to feel the wind in your hair when you are sailing your yacht than when you trying to find a place to sleep for the night. Alternatively, one might think that one's well-being consists in the satisfaction of the preferences one would have were one fully informed and ideally rational.⁵ The goodness of one's life is a matter of whether you execute your properly idealized desires. Again, these desires are almost certainly going to require the consumption of goods for their satisfaction. So, again, if inequalities of well-being are bad in themselves, inequalities of wealth will be bad.

One needn't, in fact, premise such views on any conception of well-being whatsoever. Their general structure is as follows: consumption is, in some sense, good for the person who does the consuming. We've been thinking of that good in terms of well-being. But we might instead think of it in terms of the execution of their plans or in terms of their simple material standard of living: inequalities in consumption lead to inequalities in these things too. Now the key normative premise is that, for one or more of the goods generated by consumption, inequalities in that good are bad in themselves. It follows that inequalities of wealth, via their effect on consumption, generate an intrinsically bad inequality. That is why they are objectionable. This is a general way to frame the view that inequalities of wealth are bad because they yield inequalities of consumption.

I think any view of this form will face two very serious problems. The first problem is that such a view doesn't seem to provide a full explanation of our disquiet about inequalities of wealth. There are a couple of ways to see this. To begin with, imagine that a very large

⁴ Dworkin (1981, 220–24) also considers this view.

⁵ Arneson (1989) has an egalitarian view cast in terms of this notion of well-being. It is also Rawls's (1971, ch.7) conception of well-being, and I take it to be why he cares about the distribution of primary goods. Here see especially Rawls ([1971]1999, 55, 79–80)

fortunes made one miserable. Your imagination need not stretch that far here: simply consider the predicament of the fictitious Charles Foster Kane or Jay Gatsby. Both are isolated from others by their wealth. But that does not mean we should be less disquieted by their material plenty. Kane's loneliness doesn't disable our objection to his vast fortune. And, equally, were we to find that non-fictitious Jeff Bezos or Mark Zuckerberg had been made miserable by their enormous riches, this would not disable our disquiet about those fortunes. Our disquiet about disparities in wealth, then, can't be fully explained by a disquiet about disparities in well-being.

Another way to see this is to consider the empirical evidence on the determinants of well-being. This evidence suggests that, on average, money doesn't convert very efficiently into happiness. Here researchers measure happiness either by reported life satisfaction or by reports on the moment-to-moment quality of one's experiences. The key point is that both seem to be correlated with the *log* of income.⁶ Practically, that means that there are rapidly diminishing marginal returns for subjective happiness with rising consumption. If subjective happiness proxies well-being then, on the views under discussion, this should greatly ameliorate our disquiet about inequality of wealth. The consumption of the rich is not making them that much better off. So, the great disparity in consumption between rich and poor yield a much smaller disparity in well-being. Yet, intuitively speaking, this seems utterly peripheral to our concern about inequalities of wealth. It does not seem to matter whether the rich are made much happier by their consumption. Our disquiet about disparities in wealth, again, cannot be reduced to a disquiet about disparities of well-being.

The second problem for well-being focused views will be a familiar one: it is the levelling down objection. The problem is just that it seems false that it is bad in itself for well-being to be distributed unequally.

⁶ For life-satisfaction, see Stevenson and Wolfers (2016). Kahneman and Deaton (2010) think that, in fact, one's experience moment-to-moment stop improving even with log income after one earns around \$75,000 per year. But better, more recent, evidence suggests that there isn't any such satiation point (Killingsworth, 2020).

For, if this were true, then there would be something good about levelling down. Here's the idea. One way to make the distribution of well-being more equal is by making the well-off worse off. Imagine you spend an hour torturing Larry Page, or that you break up one Jeff Bezos's treasured relationships: both would make some very well-off person somewhat worse off. If inequalities of well-being are bad, then this way of promoting equality—levelling down—is in some respect good. But, intuitively, it seems in no way good. There's no way you improve the situation *merely* by making the best off worse off. So, the view that underpin this well-being focused worry is implausible. It should be rejected. In sum, then, if inequalities of consumption are bad, it is not because they lead to inequalities of well-being.⁷

Now that doesn't mean that the problem with inequalities of wealth has nothing whatsoever to do with well-being. Perhaps such inequalities lead to less well-being overall. Perhaps they preclude some people from getting to a sufficiently high level of well-being.⁸ Perhaps they prevent us from treating the well-being of the worst-off with priority.⁹ These points each identify a genuine worry with inequalities of consumption, and thus of wealth. Such inequalities might have bad causal consequences, by leading some to consume less than they could. But our worry about such consequences is not our deepest worry about such inequalities. That is because such a worry would endure even if inequalities of wealth had no such consequences. Suppose that expropriating Jeff Bezos makes people less likely to produce remarkable companies, companies like Amazon. And suppose that this would make everyone worse off. There would still be something unsettling about Bezos's vast accumulation of wealth. So, it is unsettling for reasons besides its effect on people's absolute levels of consumption, and so besides its causal consequences for human well-being.

⁷ For this point, see Parfit (1997). For a reply see Temkin (1993, 256). For further discussion, see Holtug (1998) and Doran (2001),

⁸ For this sufficientarian view see Frankfurt (1987).

⁹ For this prioritarian view, see Parfit (1997) and, of course, Rawls (1971).

2.2 Status and Expression

Let's turn to two less common versions of the consumption view. The first says that inequalities of wealth tend to, by causing inequalities of consumption, cause inequalities of social status. The idea is that our social status is in part constituted by what other people think of us. If they think that we are social inferiors, then we are social inferiors; if they think that we are social superiors, then we are social superiors. But these attitudes can very easily come to hinge on the things money can buy. Having nice clothes, a big house, or a fancy car can induce people to see one as a superior. Lacking such possessions can induce people to see one as an inferior. Inequalities of wealth underpin these inequalities in material possessions. Thus, insofar as these inequalities in social status are bad, inequalities of wealth are bad.¹⁰

The second view is an expressivist view. The idea is that, if our institutions allow for great inequalities of wealth, they express that some have higher moral status than do others. Now exactly how these institutions will express moral inequality is not completely clear. But the simplest way for this to happen is for those institutions to express that the interests of the wealthy are worth more than those of the rest.¹¹ They might do this precisely because this greater wealth allows the wealthy to consume more. If it is in their interest to travel the world, buy an island, or start a company they are able to do so. The less wealthy cannot do this, even were their interests to be greatly promoted by having their own private island. The idea is that any institutions that systematically serves the interests of some more than others express that those interests have more weight than others.¹² But it is a great wrong for the basic institutions of society to express such a differential weighting. So, inequalities of wealth are wrong.

¹⁰ Rawls (2001, 131), O'Neil (2008, 126–28), Schemmel (2011, 380–85) and Scanlon (2018) all endorse this view. Now none of them think this is the *only* problem with inequality, so my critique of this view isn't meant to refute their overall position: just one version of it.

¹¹ Schemmel (2011) seems to hold this kind of view. It's also suggested by various comments in Anderson (1999).

¹² For this idea, see Christiano (2008).

I have some sympathy for both of these views; sometimes, I think each might capture a problem with inequalities of wealth. But I do not think either view get to the heart of the matter. The problem is that, although wealth inequalities might sometimes be bad in both these ways, they can also easily not be. Consider status harms first. It is surely possible for people's inegalitarian attitudes not to hinge on others' material possessions. When people see someone with a Lamborghini, they might not think that that person is a social superior; they might think them a twit. Equally, when people hear that someone owns a private jet, they needn't think that that person is better than the rest of us; they might think that they are a parasite. People's attitudes towards the materially flamboyant might be contemptuous. Yet even were such attitudes common, there would be a weighty objection to inequalities of wealth. The prevalence of such attitudes doesn't seem to diminish the objection much at all. Thus, the problem of such inequalities is not exhausted by reference to status harms—or at least not those of the type constituted by peoples' attitudes.

Now consider expressivist views. To say anything substantial about these views, we need to pin down the relevant notion of expression. There seem to be two broad possibilities here. One possibility is to take expression to be akin to Gricean speaker-meaning (Grice, 1957). An utterance expresses something, in this sense, when the utterer intends that utterance to communicate that thing. They intend someone to come and believe that thing on the basis of hearing the utterance. Analogously, we might say that some institutional arrangements express something, in the relevant sense, when their creators—or their sustainers—intend them to communicate that thing. But, on this interpretation of 'expression', it is doubtful that actual institutions that allow for inequalities of wealth express moral inequality. Consider this in the context of the United States. Here the institutions that allow for vast disparities of wealth consist in laws governing property rights, and perhaps the tax code especially. These are created (and sustained) by leg-

islators. Yet these legislators surely don't intend the tax code to communicate that the interests of the rich have more weight than those of the poor. When proposing tax cuts on the wealthy (for example), they typically justify them by saying that they promote everyone's interests.¹³ So, it seems American institutions express moral inequality in this sense. The point generalizes: it seems unlikely that any contemporary country's institutions express moral inequality in the relevant sense.

A second possibility is that we take expression to be more akin to Gricean natural meaning. This is the type of meaning in play when we say that "these spots mean measles" or "smoke means fire." Plausibly, in this sense, expression requires causal connection. A puff of smoke means fire only when fire caused it. Now, the actual higher moral status of the rich cannot, in this sense, be expressed by anything. This is because the rich are not morally superior to the poor. But perhaps beliefs about moral inequality can be expressed, and perhaps this too is bad in itself. On this construal of 'expression', then, the expressivist view is that our institutions are caused by or sustained through the belief that the interests of the rich are weightier than those of the poor. Thus, they express these beliefs.

Yet this too is implausible in most cases. Reconsider the United States. Again, nobody nowadays publicly justifies American institutions by claiming that the interests of poor have less weight than those of the rich. Additionally, we can explain how these institutions came about without assuming that any policymakers believe this. We can explain why tax cuts happen by reference to the self-interest of the rich, their relative power in the American system, and the myopia of ordinary voters.¹⁴ So American institutions don't express beliefs about moral inequality on even the natural-meaning sense of 'expression'. Thus, in sum, it is implausible that institutions that allow for inequalities of wealth actually express moral inequalities.

¹³ See Bartels (2008, ch.7).

¹⁴ See Bartels (2008, ch.8) and Gilens (2011, ch.3).

So, it is implausible that our disquiet about inequalities of wealth can be keyed to their contingent connection to status harms, or their expressive import. And so it seems that the problem with such inequalities does not come down to their connection to consumption at all. Our objection to inequalities of wealth is much deeper, much more robust, than consumption views admit. So, what is the source of this objection?

3 Power

3.1 The View

My view is that inequalities of wealth matter because they constitute inequalities of power. These inequalities of power matter because they constitute inegalitarian relationships: relationships of subordination and domination. The paradigm examples of such relationships are well-known: consider a master and a slave or a Victorian husband and his wife. The slave is subordinate to the master and the wife is subordinate to the husband. That subordination is in part constituted by the asymmetries of power. The master can determine what their slave does; the husband can determine what their wife does. The slave, in contrast, cannot determine what the master does, nor the wife determine what the husband does. This asymmetry in power is part of what makes these relationships ones of subordination. I take it that such relationships are intrinsically bad. It is not merely instrumentally bad to be enslaved; slavery is an intrinsically bad relationship. And I take it that the subordinate partners in these relationships have a weighty objection to being in them. They have a *claim* on the superior partners to make the relationship more egalitarian.¹⁵

The key notion of power here is not the power *to* do certain things: it is not the power to sail a yacht or ride a horse. Rather, it is power *over*

¹⁵ This view has two roots. First, it is rooted in relational egalitarian thought like that in Anderson (1999) and Scheffler (2003). Second, it is rooted in neo-republican thought like that in Pettit (1997) and Lovett (2010). I myself have been greatly influenced on these issues by Kolodny's (2014*a, b*) and his forthcoming book, *The Pecking Order*.

people.¹⁶ I have glossed this as the ability to determine what those people do. We can think of that as a measure of how likely someone is to do what you try to get them to do.¹⁷ Masters, in this sense, have enormous power over their slaves. If a master tries to get their slaves to do something, then it is very likely that the slave will do it. Of course, power is a complex notion. There may be much more to it than this. Perhaps one also has power over someone, for example, when one can make their life worse, even when so doing would not affect their actions. But I take the ability to determine what people do to be a core component of the notion of power that matters to subordination. It is in this sense of power, I claim, that wealth gives the rich power over their fellow citizens.

Let's contrast wealth with less artificial sources of power. Good looks and a sharp mind can both also beget power. We're more likely to do what beautiful people want us to do.¹⁸ The relatively intelligent are better able to persuade or cajole us into conforming with their will. Yet these features tend to beget less power than wealth. That is because the ways in which beauty or intelligence beget power are less generalizable than those in which money begets power. Beauty begets power because we're somewhat inclined to please beautiful people. Intelligence does so because we can sometime be more easily convinced (and manipulated) by intelligent people. But money begets power far more transparently: it works directly on our instrumental rationality. The key point here is that money helps people satisfy their preferences. It buys things or services that people want. Rational people are highly disposed to attain the means to the satisfaction of their preferences. This is what it is to be instrumentally rational. So, insofar as one is rational, one will do things for money. Thus, wealth gives one the ability to influence people to the extent that they are instrumentally rational. That makes

¹⁶ For this distinction, see Goldman (1972).

¹⁷ For this idea, see Dahl (1957).

¹⁸ For a classic study, see Dabbs and Stokes (1975).

it an extremely general source of power, a source much more general than physical attractiveness or mental acuity.

Wealth gives one power over both the poor and the well-to-do. Consider the former first. Many homeless, or hungry, people will do a lot for relatively little money. This is simply because they have intense needs that such money can help them satisfy; it will (temporarily) put a roof over their head or give them a warm meal. This gives any moderately wealthy person an enormous amount of power over someone in abject poverty. The well-to-do person can determine what the poor person does, simply by paying them. But the same dynamic characterizes the relationship between the well-to-do person and the very rich. Consider, for example, Jeff Bezos's personal assistant, or one of his bodyguards. They are paid well; his bodyguards probably earn around \$100,000 a year. In exchange for this, they do what he tells them. They follow him around and, in theory, put their lives at risk to protect his. They wouldn't do this for someone who didn't pay them: they are doing it for the money. Thus, Bezos is determining what this person does with their day-to-day life. They are as much under Bezos's power as is a homeless person under the power of each random passer-by.¹⁹ So money generates asymmetries in power at all levels of the wealth distribution.

I've claimed that these asymmetries in power over give rise to objectionably inegalitarian relationships. Perhaps we balk at describing the wealthy as dominating poorer citizens; this language can sometimes seem too strong. But the two are nonetheless in an inegalitarian relationship, in virtue of their relative wealth. Their relative wealth constitutes an asymmetry of power, and such asymmetries constitute inegalitarian relationships. To put it another way, the possession of a large fortune makes one the master, in a sense, of one's fellow citizens. It doesn't mean one can threaten or coerce them; or at least it need not. But it means one can make them offers, often offers the acceptance of

¹⁹ Lovett (2010, 40, 50) describes this in terms of "golden fetters".

which would transform their lives. And people respond to such offers. So, the wealthy have enormous power over everyone else. This, in my view, is the core problem with inequalities of wealth.²⁰

I want to situate this view in relation to some alternatives. First, let me contrast it with a much narrower view of its sort. In discussing inequalities of wealth, many do worry about their connection to power. But they focus almost universally on their connection to political power. They worry that the very wealthy, by dint of their wealth, can influence the political process.²¹ This worry is of course especially salient in contemporary America, with its lax laws surrounding campaign finance. In the United States, money begets political power.²² But this exclusive focus on political power confuses an issue salient in the U.S. with the more general problem. The more general problem, the problem my view focuses on, is that wealth lets one pay people to do things. This gives the wealthy power over people quite apart from any influence they have over the political system. Thus, even were billionaires to leave the political system entirely alone, or were blocked from influencing it, they would still have extraordinary power over their fellow citizens. To ignore this, to focus exclusively on political power, is to ignore the central way in which money generates power.

Second, let me contrast the view I've laid out with the consumption view. Bezos's power over his fellow citizens consists in his *ability* to get them to do what he wants. He sometimes exercises this ability, as when he hires a bodyguard or a new assistant. The exercise of the ability involves consuming his wealth: he pays the new bodyguard or assistant. But the power consists in the ability. He retains this ability by accumulating rather than by consuming his wealth. The more money he has,

²⁰ This view is perhaps closest to Martin O'Neil's (2008) "Non-Intrinsic Egalitarianism." But O'Neil thinks that inequalities are bad because they *cause* inequalitarian relationships (2008, 130). And the only way they might do this that he discusses in detail is discusses in via the sorts of status considerations we explored in section 2.2 (2008, 126–128). In contrast, I think that inequalities of wealth *constitute* inequalitarian relationships. They do this by directly constituting inequalities of power.

²¹ See Rawls (2001, 130–31), Schemmel (2011, 375–80) and Scanlon (2018, 74–94). This also seems to have been Rousseau's worry in *the Social Contract* (SC. 2. 11).

²² Bartels (2008) and Gilens (2014) both have particularly extreme views on exactly how strong the connection is. But there's little serious dispute on the basic point.

the more influence he has over his fellow citizens. The more he consumes, the less money he has. Consumption runs down and uses up his power. So, on my view, the consumption view really does get things very wrong. The problem is precisely that Bezos does not consume his wealth. It is that he holds it. Consumption would alleviate the problem; accumulation exacerbates it.

Third, let me distinguish the view from a different view that invokes power. Amartya Sen thinks that that inequalities in basic capabilities are intrinsically bad. These capacities include “the ability to meet one’s nutritional requirements, the wherewithal to be clothed and sheltered, the power to participate in the social life of the community” (Sen, 1980, 218). We can think of these as aspects of power *to*: they are the power to achieve certain crucial needs. Sen seems to take the view that inequalities of wealth are problematic because they give rise to inequalities of such capabilities. I think that this view is false. It is subject to the levelling down objection. If capabilities are valuable, then one wouldn’t make society better by simply restricting the capabilities of the most well-off. Cutting off Jeff Bezos’s right hand would not salve the objection to his vast fortune. So it is important to distinguish this view from my own. My view is not that people’s power *to* do things matters, but rather that their asymmetric power *over* others is important.²³ The capabilities approach draws our attention to the former, but it is the latter which is of true import. And it is clear why levelling down the latter is defensible: doing so helps eradicate relationships of subordination and domination.

I take the view to now be clear enough. So let us discuss the most important line of resistance to it.

3.2 The Main Objection

The view I’ve just advanced relies on the claim that asymmetries of power constitute objectionably inegalitarian relationships. One might

²³ Van Parijs’s “real freedom” can also be seen as a type of power-to: the power to get what one wants whatever it might be. He, however, is a prioritarian, and so not really the subject of our discussion.

dispute this. One might claim that not *all* such asymmetries generate such relationships. Think, for example, about the relationship between elected representatives and their constituents. Representatives have substantial power over their constituents: they are the ones who make the laws. Individual constituents have much less power over representatives. But this asymmetry of power need not make their relationship objectionably inegalitarian, or at least so it seems. So, not all asymmetries of power generate such objectionable relationships. And so, one might object, the enormous power of the very wealthy does not generate such relationships. If this objection can be sustained, then the view I've advanced is untenable.

The key to sustaining this objection lies in locating some feature about the power of the wealthy that disables the objection to asymmetries of power. Here thinking about the power of elected representatives is not terribly useful. They are the delegates of their constituents, and when all goes well they are under their constituents' control. This is what makes their power anodyne.²⁴ But clearly neither goes for Jeff Bezos. Bezos is not the delegate of his fellow Americans, nor is he under their control. He can use his money however he wants. So, to sustain the objection, we must identify some other ameliorative feature of the power of the very wealthy. In this section, we'll consider what such a feature might be. I think that there is no such feature: there is nothing about the power of the wealthy that makes it anodyne from an egalitarian point of view. So, inequalities of wealth do give rise to objectionably inegalitarian relationships

Let's start by looking at the distinction between offers and threats. The power of the wealthy is not typically executed via threats. It is executed via offers. That means that when wealthy people exercise influence over others, they don't threaten them; they make them offers. Reconsider Jeff Bezos. He offers to give his bodyguard \$100,000 per year if the man follows him around and does as he is told. Bezos does not

²⁴ For this view see Kolodny (2014a, 312) and Lovett (2021).

threaten to take \$100,000 from the bodyguard every year if he disobeys his commands. In contrast, the power a master has over their slave is typically executed via threats. The master threatens the slave with punishment unless the slave does what the master wants. One might think that only power typically executed via threats make one someone's subordinate and so insist that power typically executed via offers is not subordinating. On this view, the power of the wealthy is anodyne.

Alternatively, one might note that the power of the wealthy is in a certain sense non-coercive. Coercive power is power backed by the direct application of violence. Slaves do what their masters tell them because otherwise their masters will kill them or whip them or imprison them. But the power of the wealthy is not backed by such violence, or at least need not be in any straightforward way. Jeff Bezos won't inflict violence on his bodyguards if they quit. He won't whip them if they stop doing as he tells them. He'll simply stop paying them. One might think that only coercive power, power backed by direct violence, makes one someone's subordinates. One might thus insist that non-coercive power is not subordinating and so the power of the wealthy is anodyne.

Both these views seem to me clearly mistaken. Power executed via offers, and non-coercive power, can be subordinating. To see this, consider the relationship between a very poor person and a rich person. Imagine the poor person is desperately in need of food and shelter. The rich person offers to give it to them if they perform a variety of humiliating tasks. This arouses our disquiet in way not dissimilar to the paradigm cases of subordination. The rich person exercises domination over the poor person. Yet in this case the rich person is making an offer rather than a threat to the poor person. They are offering them food and shelter in exchange for self-degradation. Likewise, the rich person is not backing up this offer with the threat of violence. They won't assault the poor person if the offer is rejected. Yet the asymmetry of power in this case is clearly objectionable. It subordinates the poor person to the rich person. So, these views are false. Non-coercive power executed via offers can be subordinating. This sort of case is

weighty evidence that the power that wealth generates can be subordinating power.

Let's look at a different way to sustain the objection. One might instead focus on exploitation. Many think that to exploit someone involves taking unfair advantage of that person. It is advantage-taking that wrongs that person in some way.²⁵ In the case we've just discussed, the rich person exploits the poor person. Their offer to give them food and shelter in exchange for self-degradation is an exploitative offer. Yet one might deny that the power of wealth is usually executed exploitatively. One might deny that Jeff Bezos exploits his bodyguards by paying them to follow him around. And, additionally, one might think that only power typically executed via exploitation is subordinating. So, perhaps power executed non-exploitatively is not subordinating. If all this is true, then the power of the wealthy is anodyne.

However, not all of this is true. Most fundamentally, it's implausible that only power typically executed exploitatively is subordinating. To see why that is so, consider a marriage in 19th century Britain. In such marriages, husbands had enormously asymmetric power over their wives. In large part this was due to the noxious laws of coverture: wives' legal identities were subsumed to those of their husband. Yet there were surely some such cases where husbands did not execute that power at all, let alone execute it exploitatively. Consider a husband who repudiated the asymmetries of power in such a marriage. This doesn't rid of them of their power over their wife. This power flows from the social and legal structure of Victorian Britain, and this the husband cannot unilaterally change. But it might mean that they do not exercise that power, and a fortiori do not exercise it exploitatively. They do not take advantage of the laws to control what their wife does. Nonetheless, the asymmetry of power in this case too gives rise to objectionably inequalitarian relationships. Even those 19th century wives with enlightened husbands were subordinated. And so even when asymmetric

²⁵ For this view, see Wertheimer (1996, 10–12) and Meyer (2007). For various accounts of the relevant wrong, see also Goodin (1987), Sample (2003) and Snyder (2008).

power is not typically exercised exploitatively, even when it is not exercised at all, it gives rise to an objectionably inegalitarian relationship.

So, the power of the rich cannot be defended on the basis that it is typically executed via offers or non-exploitatively, nor on the basis that it is not backed by direct violence. Such features wouldn't stop this power from being subordinating. Additionally, the power of the rich cannot be defended on the basis of the claim that the rich are delegates, or under the control of, the rest of us: they are not. My own view is that, therefore, it cannot be defended at all. Perhaps not all asymmetries of power give rise to objectionably inegalitarian relationships. But the power that wealth brings is subordinating. This is, I believe the deepest problem with inequalities of wealth. They constitute asymmetries of power, and such asymmetries constitute objectionably inegalitarian relationships. It is a deep problem in the sense that it is dependent on deep, modally robust, features of other people. As long as money helps people get what they want, and as long as people will do things that helps them get what they want, then inequalities in wealth will generate objectionably inegalitarian relationships.

The most obvious upshot of this view concerns economic policy: this gives states and societies reason to redistribute wealth from the rich to the poor. Indeed, it gives them reason to reduce the wealth of the rich even if that doesn't much enrich the poor. Levelling down, in this way, makes good sense: it reduces power asymmetries. I now wish to turn to two less obvious application of this view. I believe that the view I've staked out illuminates the moral considerations around both elite philanthropic giving and the global distribution of wealth. Seeing these applications of the view both provides evidence of its theoretical fruitfulness and gives us a tighter grip on its implications in practice.

4 Applications

4.1 Elite Philanthropy

We live in what has been called “The Golden Age of Philanthropy” (Lane, 2013). Bill Gates has, in total, given around \$36 billion to the Bill and Melinda Gates Foundation. Warren Buffet has given about the same amount to the same foundation. Mark Zuckerberg has pledged the value of his Facebook stocks, currently worth \$45 billion, to the Chan Zuckerberg Initiative. George Soros has given \$18 billion to his Open Society Foundation. And so on and so forth. This enormous outpouring of wealth has not been met with far from universal acclaim. The Atlantic recently published an article entitled “Against Big Philanthropy” (Madrigal, 2018). The New York Times has spoken darkly of the growing influence of such philanthropists (Gelles, 2017). In the academy elite philanthropy has been widely condemned. Michael MacKenzie (2020) claims that elite philanthropy “constitutes a form of arbitrary power” (2020, 6), Saunders-Hastings (2017) says it represents “the undemocratic exercise of elite influence” (2016, 154) and Richard Reich (2018) decries it as “a form or exercise of power” (2018, 7). The general idea is that philanthropic giving violates the strictures of democratic equality, and so is objectionable.

Is this disquiet with elite philanthropy well-grounded? My view is that, once we see clearly the problem with concentrations of wealth, its basis seems shaky. The key issue is clear in the quote from Richard Reich. He says philanthropy is ‘a form *or* exercise of power’. But the emphasis is mine. I think philanthropy is clearly an exercise of power rather than a form of power. Before giving away their money, philanthropic billionaires already had an enormous amount of power over others in their society. They were able to determine what many other people did. They could have exercised this power in many ways: they could have run for office or started companies or bought buildings in Manhattan. Instead they exercised it through philanthropic giving. But the problem here is not with their exercising the power. Relationships

of subordination and domination are not constituted by the exercise of power. The problem is with the billionaires having the power in the first place. Thus, elite philanthropy *reveals* or *highlights* a problem: it makes transparent the vast inequalities of wealth that exist in the contemporary United States. But the giving in it itself need not be objectionable.

Perhaps I am wrong that possessing power, rather than exercising it, is what is really problematic. After all, clearly some exercises of power add to the badness of merely having excess power. Consider a slave master who beats someone that they have enslaved. This is a brutal exercise of power. This exercise of power is worse than just having the power, unexercised. It is worse to be a slave master who beats one's slaves than one who treats them gently. But that is because there is a pre-existing objections to beating people. The enslaved person has a right to physical integrity. The master violates this right. In contrast, when elite philanthropists give away billions of dollars, they don't on the face of it violate anyone's rights.²⁶ Donations are not tantamount to beatings. So it seems to me that we should see these exercises of power as anodyne. There is an enormous problem in their vicinity: in the vast power of the very wealthy. But exercising this power, via making donations, does not in itself exacerbate the problem. Thus, we shouldn't object to elite philanthropy as such. There is nothing intrinsically wrong with billionaires giving away their money for the public good.

That doesn't mean that common forms of philanthropic giving is ideal. In particular, if what I said in the previous section was correct, the superrich do have weighty reason to give away their wealth: doing so can reduce their power. But if they keep control of the money after donating it, then their donating it doesn't really serve that reason. It doesn't reduce their power. And much philanthropic giving does leave control in the hands of the philanthropists. When philanthropists set

²⁶ Although for an interesting counterargument, see Cordelli (2016).

up foundations or trusts over which they have control, as they often do, this should not much alleviate the problem with their vast wealth. So, the disquiet over elite philanthropy is not entirely misguided. But the problem is not with the bare fact that the superrich, via philanthropic giving, exercise power. Rather, it is with the form that such giving typically takes. Elite philanthropy is often a suboptimal solution to the problem with inequalities of wealth. It is a less-than-ideal way to reduce the power of those with great fortunes.

4.2 Global Inequality

The world is extremely unequal. The richest 10% of people hold 82% of global wealth. The richest 1% alone hold 44%. The poorest half own just 1% (Credit Suisse, 2019, 2). Indeed, the world is even more unequal than the United States (although not by much). Should these inequalities engage our concern? And, if they do, should we be any less concerned about them than we are about inequalities within the boundaries of a single state? In this section, I address these questions. I think that, when we see clearly the problem that inequalities of wealth pose, it is clear that we should be concerned about these inequalities. But I think that there is a plausible case to be made that, in general, international inequalities are of somewhat less concern than are intranational inequalities.

Many writers have defended the view that, whatever our distinctive concern is about distributive issues, it need *not* be engaged by inequalities that cross national borders. Michael Blake (2001) thinks that such concern need only be activated by inequalities within the boundaries of a coercive set of institutions. Thomas Nagel (2005) claims it need only be aroused by such inequalities when these coercive institutions are, putatively, jointly authored by those to whom they apply. Andrea Sangiovanni (2007) contends that it need be triggered exclusively by inequalities within mutually beneficial systems of cooperation. They each

think that their conditions are not met across national borders.²⁷ Thus they think that our distinctive concern about distributive issues is bounded by such borders. But, if I am correct, then these authors are wrong. On my view, distributive inequalities matter mainly because they engender relationships of subordination and domination. But two people don't need to be subject to common coercive institutions, or to both be part of a non-voluntary or mutually beneficial association, for it to be bad for one to dominate the other. Relationships of domination are bad whenever they obtain.²⁸ *A fortiori* they are bad when they obtain between cross-nationals. And so international inequalities of wealth are bad in the same way that domestic inequalities are.

Now perhaps that is too quick. One might maintain that international inequalities of wealth do not constitute inequalities of power. This is perhaps defensible when one focuses on how inequalities of wealth translate into inequalities in political power. In the United States this likely happens because rich Americans donate much more money to political campaigns than do poor Americans.²⁹ One might think that when we're comparing rich Americans to poor Indians, the inequalities of wealth don't translate into inequalities of political power in this way. But my focus has not been on *political* power. The most basic power wealth gives you, I've claimed, is the ability to pay people to do what you want. This power is not blocked by national borders, or at least not national borders as they currently exist. Rich Americans can pay poor Indians to do what they want. They can do so via corporations or through agents or nowadays directly, on the internet.³⁰ And the reverse also applies: rich Indians can also pay poor Americans to do as they

²⁷ This has of course been disputed. See e.g., e.g. Pogge (2002) and Cavallero (2010).

²⁸ This is a point made by republicans writing on global justice. See e.g., Laborde and Ronzoni (2015). Yet such writers are mainly concerned by weak states being dominated by strong states or multinationals. I think more quotidian relationships of domination are of more concern.

²⁹ For some evidence about differential donations, see Barber (2016). For evidence that this effects how politicians behave, see Stratmann (2005) and Kalla and Broockman (2016).

³⁰ Amazon Mechanical Turk is probably the most used online way for well-to-do Westerners to directly employ foreigners. See <https://www.mturk.com>.

want. Thus, international inequalities of wealth should engage our concern. The problem with them is of exactly the same kind as that with intranational inequalities.

That does not, however, mean that it is of exactly the same magnitude. To see this, we have to say a little bit more about power over. The aspect of power over I've been focusing on is the ability to determine what someone does. But, in assessing how much power one person has over another, we also need to see how costly it is for the first person to determine what the second does. If they can do this, but only at enormous cost to themselves, that reduces their power in the relevant sense. Now here's the crux. It is often more costly to wield the power of wealth across rather than within national borders. Sometimes this is just because one is subject to special taxes or capital controls when one transfers funds across borders. But other times it is just because it is more difficult to contact and employ those on the other side of a national border. One may, for example, face barriers of language, culture or expectation. All make it more costly to pay these people to do what you want them to do. So, for these reasons, international inequalities of wealth seem to me somewhat less worrisome than domestic inequalities. But the difference in magnitude here is probably not usually vast. Both inequalities should arouse substantial concern, a concern about the ill of subordination.

5 Conclusion

Let me sum up. I began by asking why inequalities of wealth are bad. My answer is that they are bad not because they lead to inequalities of consumption. I do not think that inequalities of consumption much engage our concern. We care about people's absolute level of consumption, but not about how their consumption compares to that of others. Instead, so I've argued, inequalities of wealth generate inequalities of power. These in turn give rise to relationships of domination

and subordination. That seems to me the distinctive problem with inequalities of wealth. I have tried to show that this view is not only plausible but fruitful: that it illuminates our concern about elite philanthropy and our concern about the global distribution of wealth. I believe it illuminates many other economic issues besides. But I will leave this to the reader to judge.

References

- Anderson, Elizabeth. 1999. "What Is the Point of Equality?" *Ethics* 109 (2): 287–337.
- Barber, Michael J. 2016. "Representing the Preferences of Donors, Partisans, and Voters in the US Senate." *Public Opinion Quarterly* 80 (S1): 225–49. <https://doi.org/10.1093/poq/nfw004>.
- Bartels, Larry M. 2008. *Unequal Democracy: The Political Economy of the New Gilded Age*. Princeton, N. J: Princeton University Press.
- Blake, Michael. 2001. "Distributive Justice, State Coercion, and Autonomy." *Philosophy & Public Affairs* 30 (3): 257–96.
- Cavallero, Eric. 2010. "Coercion, Inequality and the International Property Regime." *Journal of Political Philosophy* 18 (1): 16–31. <https://doi.org/10.1111/j.1467-9760.2009.00343.x>.
- Christiano, Thomas. 2008. *The Constitution of Equality: Democratic Authority and Its Limits*. Oxford, New York: Oxford University Press.
- Cohen, G. A. 1989. "On the Currency of Egalitarian Justice." *Ethics* 99 (4): 906–44.
- Dabbs, James M., and Neil A. Stokes. 1975. "Beauty Is Power: The Use of Space on the Sidewalk." *Sociometry* 38 (4): 551–57. <https://doi.org/10.2307/2786367>.
- Doran, Brett. 2001. "Reconsidering the Levelling-Down Objection Against Egalitarianism." *Utilitas* 13 (1): 65. <https://doi.org/10.1017/s095382080002995>.
- Dworkin, Ronald. 1981. "What Is Equality? Part 2: Equality of Resources." *Philosophy & Public Affairs* 10 (4): 283–345.
- Gelles, David. 2017. "Giving Away Billions as Fast as They Can." *The New York Times*, October 20, 2017, sec. Business. <https://www.nytimes.com/2017/10/20/business/soros-charity-zuckerberg-gates.html>.
- Gilens, Martin. 2012. *Affluence and Influence: Economic Inequality and Political Power in America*. New York, NY: Princeton University Press.
- Goldman, Alvin I. 1972. "Toward a Theory of Social Power." *Philosophical Studies: An International Journal for Philosophy in the Analytic Tradition* 23 (4): 221–68.
- Goodin, Robert. 1987. "Exploiting a Situation and Exploiting a Person." In *Modern Theories of Exploitation*, edited by Andrew Reeve. SAGE Publications.
- Holtug, Nils. 1998. "Egalitarianism and the Levelling Down Objection." *Analysis* 58 (2): 166–74. <https://doi.org/10.1111/1467-8284.00118>.

- Kahneman, Daniel, and Angus Deaton. 2010. "High Income Improves Evaluation of Life but Not Emotional Well-Being." *Proceedings of the National Academy of Sciences* 107 (38): 16489–93. <https://doi.org/10.1073/pnas.1011492107>.
- Kalla, Joshua L., and David E. Broockman. 2016. "Campaign Contributions Facilitate Access to Congressional Officials: A Randomized Field Experiment." *American Journal of Political Science* 60 (3): 545–58. <https://doi.org/10.1111/ajps.12180>.
- Killingsworth, Matthew A. 2021. "Experienced Well-Being Rises with Income, Even above \$75,000 per Year." *Proceedings of the National Academy of Sciences* 118 (4). <https://doi.org/10.1073/pnas.2016976118>.
- Kolodny, Niko. forthcoming. *The Pecking Order: Social Hierarchy as a Philosophical Problem*. Cambridge: Harvard University Press.
- . 2014a. "Rule Over None I: What Justifies Democracy?" *Philosophy & Public Affairs* 42 (3): 195–229. <https://doi.org/10.1111/papa.12035>.
- . 2014b. "Rule Over None II: Social Equality and the Justification for Democracy." *Philosophy & Public Affairs* 42 (4): 287–336.
- Laborde, Cécile, and Miriam Ronzoni. 2016. "What Is a Free State? Republican Internationalism and Globalisation." *Political Studies* 64 (2): 279–96. <https://doi.org/10.1111/1467-9248.12190>.
- Lane, Randall. 2013. "A Golden Age Of Philanthropy." *Forbes*, 2013. <https://www.forbes.com/sites/randalllane/2013/11/17/a-golden-age-of-philanthropy/#5df519c4266f>.
- Lovett, Adam. 2021. "Must Egalitarians Condemn Representative Democracy?" *Social Theory and Practice*, 47 (1): 171–98.
- Lovett, Frank. 2010. *A General Theory of Domination and Justice*. New York: Oxford University Press.
- MacKenzie, Michael K. 2020. "Democratic Philanthropy." *Contemporary Political Theory*, July. <https://doi.org/10.1057/s41296-020-00431-3>.
- Madrigal, Alexis C. 2018. "Against Big Philanthropy." *The Atlantic*. June 27, 2018. <https://www.theatlantic.com/technology/archive/2018/06/against-philanthropy/563834/>.
- Mayer, Robert. 2007. "What's Wrong with Exploitation?" *Journal of Applied Philosophy* 24 (2): 137–50. <https://doi.org/10.1111/j.1468-5930.2007.00360.x>.
- Nagel, Thomas. 2005. "The Problem of Global Justice." *Philosophy & Public Affairs* 33 (2): 113–47. <https://doi.org/10.1111/j.1088-4963.2005.00027.x>.
- O'Neill, Martin. 2008. "What Should Egalitarians Believe?" *Philosophy & Public Affairs* 36 (2): 119–56.
- Parijs, Philippe van. 1995. *Real Freedom for All: What (If Anything) Can Justify Capitalism?* Clarendon Press.
- Pettit, Philip. 1997. *Republicanism: A Theory of Freedom and Government*. New York: Oxford University Press.
- Pevnick, Ryan. 2013. "Democratizing the Nonprofit Sector." *Journal of Political Philosophy* 21 (3): 260–82. <https://doi.org/10.1111/j.1467-9760.2011.00414.x>.
- Pogge, Thomas W. 2002. *Global Justice*. Wiley.
- Rawls, John. 1971. *A Theory of Justice*. Cambridge, MA: Harvard University Press.
- . 1999. *The Law of Peoples: With, the Idea of Public Reason Revisited*. Harvard University Press.
- . 2001. *Justice as Fairness: A Restatement*. Harvard University Press.
- Rousseau, Jean-Jacques. 1968. *The Social Contract*. Harmondsworth: Penguin.

- Sample, Ruth J. 2003. *Exploitation: What It Is and Why It's Wrong*. Rowman & Littlefield Publishers.
- Sangiovanni, Andrea. 2007. "Global Justice, Reciprocity, and the State." *Philosophy & Public Affairs* 35 (1): 3–39. <https://doi.org/10.1111/j.1088-4963.2007.00097.x>.
- Saunders-Hastings, Emma. 2017. "Plutocratic Philanthropy." *The Journal of Politics* 80 (1): 149–61. <https://doi.org/10.1086/694103>.
- Scanlon, T. M., ed. 2003. "The Diversity of Objections to Inequality." In *The Difficulty of Tolerance: Essays in Political Philosophy*, 202–18. Cambridge: Cambridge University Press. <https://doi.org/10.1017/CBO9780511615153.012>.
- Scanlon, Thomas. 2018. *Why Does Inequality Matter?* New York: Oxford University Press.
- Scheffler, Samuel. 2003. "What Is Egalitarianism?" *Philosophy & Public Affairs* 31 (1): 5–39.
- Snyder, Jeremy C. 2008. "Needs Exploitation." *Ethical Theory and Moral Practice* 11 (4): 389–405.
- Stevenson, Betsey, and Justin Wolfers. 2013. "Subjective Well-Being and Income: Is There Any Evidence of Satiation?" *American Economic Review* 103 (3): 598–604. <https://doi.org/10.1257/aer.103.3.598>.
- Stratmann, Thomas. 2005. "Some Talk: Money in Politics. A (Partial) Review of the Literature." *Public Choice* 124 (1): 135–56.
- Suisse, Credit. 2019. "Global Wealth Report." <https://www.credit-suisse.com/about-us/en/reports-research/global-wealth-report.html>.
- Temkin, Larry. 1993. *Inequality*. Princeton, N. J: Princeton University Press.
- Wertheimer, Alan. 1996. *Exploitation*. Princeton, NJ: Princeton University Press.