
BOOK REVIEWS

Martin O'Neill and Thad Williamson (eds.), *Property-Owning Democracy: Rawls and Beyond* (Oxford: Wiley-Blackwell, 2012)

Valentin Stoian
Central European University Budapest

Martin O'Neill and Thad Williamson's edited volume *Property Owning Democracy: Rawls and Beyond* emerged as a collaborative work after an American Political Science Association conference in Chicago in 2007. Several authors involved with the topic concluded that the Rawlsian concept of property-owning democracy had not been sufficiently developed. Williamson, O'Neill and their associates believed that it is necessary to clarify what such a social arrangement would look like. Moreover, within the context of the economic crisis and the neoliberal attack on the welfare state, the authors considered that a book on Rawlsian just institutions could provide a meaningful rally point for left-leaning parties. The book is divided in 14 individual chapters, each written by a well-known author in the field such as Stuart White, Simone Chambers, Ben Jackson, Alan Thomas, Gar Alperovitz and Nien-he Hsieh. Each chapter outlines and defends a central thesis relating to the topic of just institutions and property owning democracy.

The first chapter, authored by Simone Chambers discusses Rawls' transition from *A Theory of Justice* to *Political Liberalism* and his apparent withdrawal from a strong interpretation of the demands of justice. Chambers contrasts Rawls' seeming radicalism in his early work to his attempt to justify a conception of a fair society while taking into account the fact of opinion pluralism in a democracy. Chambers focuses especially on Rawls' refusal to demand that the difference principle be enshrined in the constitution of a just society. She interprets Rawls as accepting that egalitarianism is subject to public debate, rather than a non-negotiable part of what society should be.

In the second chapter Ben Jackson outlines a history of the term property-owning democracy, incorporating both its conservative and its egalitarian interpretations. He focuses especially on James Meade, the economist who inspired Rawls. The third chapter, authored by Corey Brettschneider, offers a normative justification of welfare rights, as the only way to defend the existence of private property. Brettschneider imagines a dialogue between the owners of private property and those who are excluded, and maintains that only something akin to property owning democracy would satisfy the excluded in an ideal situation.

The fourth chapter is a crucial one in the text. Martin O'Neill develops his previous arguments into a fully-fledged exposition in favor of property owning democracy.

He defines a property owning democracy as a regime which seeks to disperse capital among living persons, blocks the intergenerational transfer of advantage and safeguards politics from the corruption inherent in wealth disparities. Moreover, O'Neill argues that while Rawls' principles of equal liberties and fair equality of opportunity could also be satisfied by a welfare state, the difference principle can only be implemented under a property owning democracy.

Several other essays in the volume contribute significantly to the debate on just institutions. Stuart White argues that a property owning democracy would be far more stable if it would also benefit from a republican conception of citizenship. Nien-he Hsieh looks at a possible positive effect of instituting a property owning democracy. He shows that such a regime would improve workplace control and democracy and would offer more of a voice to workers in corporate management. He interprets Rawls as a supporter of democratic workplaces, a thesis he infers from Rawls' concern with the social bases of self-respect. Hsieh believes access to meaningful work is quintessential for self-respect. Since a property owning democracy would lead to more workplace democracy, Hsieh argues, it would be a better regime.

Waheed Hussain maintains that a property owning democracy would be a regime in which democratic corporatist arrangements of labor settlement would prevail. He asserts that this is supported by Rawls' desire for a society which is stable for the right reasons. Democratic corporatism would, Hussain shows, nurture a sense of justice and provide the basis for a stable society. David Schweickart contrasts a property owning democracy with his own proposal, economic democracy. Unlike Rawls' suggested arrangement, Schweickart argues economic democracy would require that firms and economic social plans be democratically controlled. Under this scheme, investment banks would be socialized and democratic firms would borrow the means of production, paying an asset tax.

Another seminal contribution of the volume is Thad Williamson's eleventh chapter. He argues that a property owning democracy would involve giving each American citizen assets worth \$100 000. These would be funded from taxing, for the next 25 years, one third of the assets of the top 1% of Americans, which would form, according to Williamson, a fund of around five trillion dollars. This fund could be used to offer each American citizen the above-mentioned sum, diversified in cash reserves, home ownership stakes and stocks and bonds.

The final three chapters outline the relationship between redistribution and human capital (Sonia Sodha), several forms of democratic ownership extant in America (Gar Alperovitz) and a possible strategy to make a property owning democracy appealing to the American public (Thad Williamson). Sodha argues that, in addition to financial capital, human capital distribution through education is quintessential to a

just society and to a true property owning democracy. Finally, Williamson concludes by offering a possible way of achieving a wide redistribution of capital through democratic means. He advocates a campaign of popularization of the wealth inequalities in America, together with an appeal to America's widely held values of equality of opportunity.

From the philosophical point of view, two chapters deserve particular attention. O'Neill argues that the difference principle is the only one from Rawls' philosophical scaffolding which underpins his choice of a property owning democracy as the just institutional arrangement. He maintains that Rawls' demand for fair value of liberties and fair equality of opportunity could also be achieved in a welfare state. O'Neill also attempts to show that some policies, such as limiting funding for political campaigns, could insulate politics from large ownership disparities. Moreover, a reform of the educational system would ensure fair equality of opportunity.

This contention is hard to accept given the intrinsic link between family circumstances and educational outcomes. Even under a rather generous welfare state with a good public education system, the family would still represent a locus where a large part of competences is formed. A child born in a family which is chronically dependent on welfare allowances and internalizes the lack of self-worth such a situation creates will definitely not have similar opportunities as a middle class child. Even though O'Neill argues that a welfare state would mandate a wide dispersal of human capital, he does not take into account the importance of family relations on the formation of human capital.

The second chapter to be criticized is the one authored by Hsieh. The main charge to be brought against him is that he puts too much stock in the Rawlsian framework, including values which are not necessarily Rawlsian. While Rawls supports an egalitarian society and a desideratum of Aristotelian self-development of the individual, imputing a demand for access to meaningful work and workplace democracy is simply putting in too much. These are socialist values and Rawls' neutrality to conceptions of the good and his political, not comprehensive liberalism, excludes them.

The volume represents a crucial development in the debate on just institutions. Both the question of what institutions would be just and of what arrangements John Rawls would support are hotly debated within its pages. The book aims to be both a philosophical treatise and political manifesto for left-leaning intellectuals.