Equality of Resources

1. Why Equality?

In discussing libertarianism, I distinguished two kinds of criticisms of programs of law and public policy that aim to address inequalities of economic advantage. One kind of criticism is instrumental, and criticizes such laws and policies on grounds of the bad effects they are alleged to have. Thus, those programs are sometimes criticized for generating inefficiency by distorting market prices and limiting incentives to work and invest; sometimes for requiring a large government regulatory apparatus that will inevitably be captured by organized interests seeking to use that apparatus to capture rents and advance their own narrow interests; sometimes for requiring a concentration of political power that threatens liberties of conscience, thought, and political participation. In contrast, the "intrinsic criticism" that is distinctive to libertarian political philosophy is that the programs are unjust: that they violate a basic individual right to liberty.

I mention this distinction now because it is useful, correspondingly, to distinguish arguments *in favor of* laws and policies that aim to correct for inequalities of economic outcome into two distinct types. An instrumental defense denies, in the first instance, that the policies have the grave disadvantages alleged by critics: the negative incentive effects, for example, are said to be relatively small, because supply of labor and other resources in not *that* responsive to expected rewards. More positively, the egalitarian might argue that reducing inequality is good for the general welfare and/or that extreme inequality is bad for democracy.

Consider the general welfare argument. One version starts from the premise that there are diminishing returns to human capital, that is to investments in education and training: so the productivity gains that come from greater investments in people with higher levels of human capital are smaller than the gains from the same investment in people at lower levels. So from the point of view of promoting economic growth and thereby advancing the general welfare, society would do well to invest more in the education and training of members of society who have relative small amounts of education and training (and assuming imperfections in capital markets that make it hard for individuals to finance their own education and training). Those investments will bring greater market income for those individuals, thus reducing income dispersion. But they will bring greater gains for society: according to the general welfare argument, they will promote both general-welfare-enhancing growth and equality (of opportunity and of outcome).[1]

The egalitarian might also argue that great inequality is bad for democracy. And that argument might proceed in one of two ways. First, when people are very unequal in resources and living conditions, they do not think of themselves as belonging to a single political community, as part of a collection of people who share a common fate: as a result, the basic solidarities required for a well-functioning democracy are undermined, and the consequence is increased social conflict, unwillingness to make sacrifices, diminished civic participation, and great difficulties enlisting the energies of everyone in the face of common threat. A second argument is about political equality. Thus it might be said that greater socio-economic inequality is itself a source of unequal opportunities for political influence. So rather than addressing those unequal opportunities by changing the way we finance our elections, we should address them by reducing the dispersion of resources.

Both these instrumental lines of argument are important. The first argument in particular provides a case for worrying about inequality even if you are a choice-based libertarian who, like Friedman, thinks that it is permissible for government to act in ways that promote the general welfare: if it is permissible to for regulate choice for the general welfare, then it is permissible to do when such regulation has the effect of reducing inequality. Of course assessing both the general welfare argument and the democracy argument is a complex empirical matter.

I mention them here, though, not to provide that assessment but to distinguish them from the kind of *principled or philosophical egalitarianism* that we find in Rawls's justice as fairness, and also in Dworkin's conception of equality of resources. According to the philosophical egalitarian, certain kinds of inequalities may be indefensible not simply because they have bad effects on democracy or the general welfare, but because on more intrinsic grounds: because they are *unjust*.

In particular, the liberal egalitarianism of Rawls and Dworkin says that the basic requirement of justice is that the members of society are to be treated as

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[1] For discussion, see Philippe Aghion, *Growth, Inequality, and Globalization*, pp. 11-33.

free and equal. In a society of equals—what Tocqueville called a "democratic society"—in which law and policy substantially effects the life chances of members of society, inequalities of opportunity and outcome create the suspicion that the members are not being treated as equals. As Dworkin says: "The distribution of resources that any society achieves is a function of its laws and policies—not just its property and tax laws, but the full, complex legal structure that its citizens and officials enact and enforce. If the laws were different in even minor respects, the distribution of wealth would in consequence be different. Under any structure of laws we can imagine, some citizens face bleaker prospects for their entire lives—or at least less glowing prospects—than other citizens, and a society of equals must be ready to explain, to those whose prospects are worse, why it has not chosen a different arrangement under which their prospects would be better."[2]

Such explanation may be available: Rawls's difference principle provides on such explanation. The point I wish to emphasize here is that the criticism on grounds of justice—on grounds that the inequalities in life circumstances in some way fail to show "fairness to individuals"—is a distinctive line of argument, and that the basis of the argument is the view that the members of a society are to be treated as free and equal persons. If Rawls and Dworkin are right, that basic principle has substantial implications for economic justice, once we acknowledge the effects on life chances of laws and policies.

To be sure the implications are not confined to issues of economic justice. As we saw, the basic principle suggests a norm of political equality, which

[2] *Phil and Public Affairs*, forthcoming.

includes a requirement of freedom of political speech and association and a requirement of fair equality of opportunity for political influence, where the latter focuses on opportunity as a way to acknowledge that citizens are free and responsible agents: moreover, as we saw, satisfying both requirements is a complex matter to satisfy both requirements. Similarly, the demand to treat members of a society as free and equal suggests the requirement that there be no discrimination on grounds of race or sex, and the requirement of free speech: those requirements come into conflict, some have argued, in areas of hate speech and pornography, where the content of the speech either is discriminatory or promotes objectionable discrimination. Here, too, it is difficult to accommodate both freedom and equality, but for egalitarian liberals, justice demands precisely that.

2. Does Rawls Have it Right?

Now in the case of economic justice, it might be argued that Rawls' difference principle does not achieve the appropriate expression of the demand that members of society be treated as free and equal. Consider two objections, both suggested by Dworkin.

First, Rawls's difference principle permits inequalities—roughly speaking—if and only if they advance the economic advantage of the least advantaged. But suppose we could achieve a reasonable gain at the median—for the "hard-working middles classes"—at the cost of a somewhat-less-than-maximal advantage for the least advantaged. Suppose, in particular, that an exogenous shock to an economy puts the incomes and employment prospects of large numbers at risk. Does justice—which, at bottom requires treating the members of the society as equals—require an exclusive concern with the injury to the least advantaged group, even though median prospects are substantially threatened as well? Perhaps, but—as Dworkin points out— when we shift from the question of how best to distribute gains from cooperation when the economy is growing to the question of how to respond to common risks to income and employment, the Rawlsian answer is put under some pressure. So perhaps the difference principle is not the best expression of the idea of treating members as equals.

Second, Rawls appears to define the least well-off group without reference to whether members of the group work, or the effort they put in. So he is arguably inattentive, in his account of the difference principle and how it might be implemented, to issues about the extent to which someone who is not well off—either unemployed or underemployed—is *responsible* for his/her condition. And in this way, it might be said that the difference principle gives inadequate expression to the conception of the members of society as free, responsible agents. Moreover, as a practical matter, this inattention makes the theory vulnerable. After all, issues about the extent to which poverty and unemployment are due to limited choices—a collective failure to establish fair institutions, laws, and policies—or unwillingness to make an effort are at heart of political debate.

Dworkin's theory of economic justice—he calls the theory "equality of resources"—grows directly from these concerns. Justice requires not that the distribution of resources be equal, but that it reflect the idea that members of a society are to be treated as equals—with equal concern (or as he sometimes says: with equal concern and respect)—by the political community (acting through government). And ensuring that people are treated as equals requires that the distribution respect two conditions, corresponding (intuitively) to values of liberty and equality: that it be *choice-sensitive* and that it be *endowment-* (*circumstance-) insensitive*, that it reflect the choices people make in light of their personalities and that it not reflect the circumstances—both personal and impersonal endowments—that individuals bring to their choices.[3] In the terms I introduced earlier, the idea is to respect preferences, values, and option luck, but to mitigate the effects of inherited starting positions and natural talents.

Given the many ways in which choice and circumstance interact, the problem is to specify how that might actually be done: that is what Dworkin calls the "strategic problem": and he offers his insurance scheme as a solution to it.

But before exploring that scheme, I want first to discuss a desert-based conception of distribution that rejects the strategic problem, and then say more about the fundamental ideas of Dworkin's own form of "ethical liberalism."

3. Desert and Rewards for Talent

In the discussion of Friedman and Rawls, we explored the difficulties in the view that Rawls calls "liberal equality." In different ways, both Friedman and Rawls argue that this view is unstable because it says that justice permits people to benefit from their endowments of talent but not to benefit from their inherited

[3] For an especially crisp statement, see SV, p. 334.

starting position. Both Friedman and Rawls argue that talents and inherited starting positions are morally on a par: neither is chosen by the agent nor something for which the agent can take responsibility.

But someone might resist this line of thought by arguing that there is something *admirable* or *virtuous* about the capacity to create wealth—to make or do things that others are prepared to pay for—though there is nothing admirable or virtuous about inheriting wealth: though there is no difference in responsibility, there is a difference in admirability. That is, it might be said that what Dworkin calls "wealth talent" is a proper object of praise and of personal pride—and that we express that admiration by letting the creators of wealth keep all the wealth that they plausibly can attribute to their talents. It is not simply that people have a right to the all these rewards because their talents belong to them, nor that they have a right because there is something demeaning about regulations in the name of equality. Instead, wealth-talent deserves reward because it an intrinsically admirable quality, whatever its natural basis. Think of someone who is especially courageous, or shows uncommonly good judgment—a kind of Solomonic wisdom. We may think that he or she deserves praise for it, even if their virtue is a consequence of their having just the right endowment of endorphins or serotonin. Similarly, the thought the wealth talented deserve rewards, and there would be something less attractive about a society that failed to reward those with wealth talent because that society would not be acknowledging their personal merit, failing to compensate according to what people deserve.

This argument about desert is rarely stated in such blunt form, but it may help to account for the attractions of more familiar arguments that are presented as if they were simply asserting empirical fact. So it will be said that people who do poorly in the market simply are not trying very hard—that they do poorly because of their choices, not their circumstances. But it is difficult to make such assertions with much confidence, and it may be that empirical claims about the extent of choice and effort are really motivated by claims about the admiration that we owe to talents for creating wealth, which are intrinsically deserving of reward.

But this view—if presented as an argument against redistributive taxation that does not depend on solving the strategic problem—faces three difficulties. First, even if we accept that wealth-talent is admirable and deserving of praise, it does not follow that wealth talent deserves greater *economic* reward: no need for the praise to "take a material form," any more than praise for someone's civic virtue—their determination to contribute to the public good—needs to take a material form.

Second, it is not clear that a talent for creating and doing things that others are prepared to pay for is a plausible object of admiration, and deserving of praise, whether in material form or not. We need not accept a corrupt, cutthroat, insider-trading picture of business acumen in order to entertain doubts on this score. If we acknowledge that wealth-talent is a mix of personal qualities, not all of which are especially admirable, with good luck, then we should conclude that a society that does not ensure the lion's share of rewards to people who are endowed with wealth-talent is not for that reason failing to assign proper praise to admirable human qualities. Finally, even if we accept a case for recognizing endowments of wealth talent with material rewards, we do not yet have a case against redistributive taxation, because we do not have to accept the right measure of reward is pre-tax income.

4. Ethical Liberalism

Dworkin's form of egalitarian liberalism is founded on a pair of ideas that together constitute what he calls "ethical individualism." The first—the principle of equal importance—is that every person's life is of equal importance: that it is equally important, objectively speaking, that each person's life go well, or be a success. The second idea— the principle of special responsibility—is that the person whose life it is has ultimate responsibility for the success of the life. These ideas are drawn from ordinary moral thought, and have application not exclusively to politics, but in the appraisal of the conduct and lives of individuals. But a plausible account of justice, Dworkin thinks, must be, in his terms, "continuous" with ordinary moral thought and must respect these two basic principles. And one of the difficulties with the Rawlsian formulation of justice as fairness— the second problem mentioned earlier, concerning the apparent inattention to considerations of responsibility in the formulation of the difference principle—is that it lacks appropriate continuity because the difference principle is insufficiently inattentive to issues of responsibility.

These two fundamental ethical ideas—of equal importance and special responsibility—might seem to be in deep tension. After all, if the success of each person's life matters equally, then why not conclude that each person has equal responsibility to make sure that each other person's life is successful. Why shouldn't others take responsibility to ensure that my life goes well? Why do I have special responsibility for the success of my life? The reason is that, underlying the principle of special responsibility is a strongly anti-paternalist idea, suggested by Mill in his account of why self-development is a fundamental good. Dworkin pushes the idea further and holds that a person's life can go well—that it can be successful—only if it is guided by values that the person him/herself endorses. So others who acknowledge the equal importance of my good have to acknowledge my special responsibility, because they cannot improve my life by directing to ends that I do not embrace, whereas I can improve it by directing it to ends that they do not embrace. To be sure, others can enable me to make something of my life, say, by making sure that I have the liberties and resources to which I am entitled. But they cannot help to make my life better by taking responsibility for guiding it: by deciding what the aims of my life should be. Their concern about the goodness of my life requires respect for my autonomy: so there is no deep tension.

The implications of these two principles vary depending on the social setting in which they are applied. Thus it is consistent with the principle of equal importance that people give special attention to the lives of their friends, or partners, or children. If I give more attention to my children than to the children of others, I need not justify the difference by attributing greater objective importance to them, but only by claiming that a reasonable way to express the equal importance of all is for friends, parents, and partners to give (as a rule) particular attention to those to whom they bear a special connection.

But the principle of equal importance works differently in the case of the political arena, because of the special features that distinguish the political arena and the political relations of citizens to government from relations in other settings. Thus legal regulations made by government apply to all and are made in the name of all. Moreover, regulations are not simply enforced: we are all expected to comply with them; the political system demands "allegiance and obedience." So the principle of equal importance requires that the political community show *equal concern* to all its members, that the interests of each be given equal importance, irrespective of class, race, gender, or talents. The failure to show equal concern—to give the good of each member the equal weight that is its due—makes the government illegitimate, and the demands for obedience and allegiance indefensible. You can impose rules and rightfully expect obedience from people who are equally important unless you show equal concern—on some plausible interpretation of the requirement of equal concern—in making the laws for the good of each.

In particular, then, because laws and policies have a pervasive impact on the economic fate of individuals—because "the distribution of wealth is the product of a legal order"[4]— the political norm of equal concern applies to the arena of economic justice, and its application reflects the joint operation of the two principles of equal importance and special responsibility. On the one hand, then, the distribution of resources should reflect the choices that citizens make in light of their personalities (their ambition and character): this is an expression in economic justice of the principle that individuals have special responsibility for the success or failure of their own lives. On the other, the distribution should not reflect the circumstances or endowments of individuals: if they do, then we have a failure of equal concern, because the endowment is not something for which an individual is responsible.

You might think of Dworkin's proposal this way: he is suggesting a division of labor between individual and collective responsibilities. The collective responsibility—to be achieved through laws and policies—is to ensure that people face equal circumstances when they pursue their aspirations. Assuming those circumstances, the responsibility of individuals is to make their lives a success. To be sure, a person might still complain that her circumstances stood in the way of achieving her aspirations. For example, if the person has very expensive tastes—if she needs free access on demand to very powerful telescopes, or if he needs others to stand around licking his boots—then facing equal circumstances will not be good enough. But the idea of equality of resources is that people, as equals, can reasonably demand that they face equal circumstances in pursuing their aspirations, not that they have equal success in such pursuit: not that they come equally close to achieving their aims. If they have expensive, demanding tastes, they need to adjust those aims to what they can rightfully demand: that is part of taking responsibility for one's life.

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[4] SV, p. 1.

The big problem is how to achieve both choice sensitivity and endowment insensitivity. How can we make it true that individuals with different ambitions and characters face the same circumstances in pursuing their aspirations? The purpose of Dworkin's insurance scheme is to specify the content of this how to combine these desiderata.

5. False Starts

To see why there is a problem, consider first a world in which everyone has the same endowments of talent, and differ only in their personalities: in particular, in their preferences for labor and leisure. In this world, we could achieve the combination of endowment insensitivity and choice sensitivity by assigning everyone the same initial exchangeable wealth and then letting people trade in competitive markets. At the end of the day, people would end up with different levels of economic resources because of their different preferences and values. But if we assume that they all started with the same endowments of assets, then no one has any basis for complaining that they are not being treated as an equal.

To underscore the force of this point, notice that in the final distribution no one has reason to envy anyone else. Consider A, who wants to accumulate wealth and does not value leisure very much. He is prepared to do what is required in business to accumulate; B wants to accumulate but does not want to do what A is prepared to do in business. Instead B wants to accumulate and to devote lots of time to leisure. So he chooses a more leisurely occupation, but is disappointed with his resuling wealth position; and C, who does not care very much at all for wealth, and wants to devote lots of time to leisure. So in the final allocation, A goes into business and makes a bundle, whereas B and C go into a more relaxed occupations and do not. But there is no envy. B does not envy the circumstances of A—his occupation and income together (consumption-leisure bundle). If he did, then he would have done what A did. Nor does he envy the circumstances of C, since those circumstances are the same as his. To be sure, C is happier than B, since C does not value wealth as much as B does. But that is an difference of personality, not circumstance.

But now suppose abilities differ, too. Now we can no longer suppose that no one ends up envying anyone else. With differences of talent, people may envy the combinations of consumption and labor that other people have but that are not attainable by them. So I may be happy to work as hard as Jones works and to have Jones's income. But suppose Jones is capable of much greater intensity and duration of effort than I am, and that income reflects contribution. So for me to earn Jones's income, I would have to work twice as long. But that means that the combination of labor and consumption available to Jones is simply unavailable to me.

Consider two possible responses. First, we might say that, even in this differential-talent world, people are properly treated as equals by a scheme that ensures an initial equality in the ownership of external wealth and then lets people work and trade and consume according to their ambitions and character. Assume in this world of differential talent and equal external assets that income reflects contribution. And consider a new version of the envy test for equality, that might attract someone who embraces this line of argument: lets say that A does not envy B just in case A thinks that his own combination of consumption and leisure is at least as good as the following combination: B's consumption and the leisure that A would have if A worked as long as would be required to work to produce what B produces. Now it might take A twice as long as it takes B to reach that level. We get to results that met this envy-free condition if we divide goods equally, and let people use their talents to accumulate resources. This is the world of “starting gate equality.” And it is an inadequate expression of the ideal of equality of resources because it permits endowment sensitivity. To be sure, skills are partly a result of choices, not simply endowments of talent: the strategic problem is to try to find some way to acknowledge the intertwining of talent and choice while mitigating the effects of endowments on outcomes. The starting gate view simply gives up on that aspiration, even in principle.

An alternative is to imagine that in an initial equal division, we include 1/n ownership shares in the talents of everyone, and then let people make their choices: here talents are treated straightforwardly as shared assets. Each person will buy some goods and some leisure. But the crucial point is that people with more highly valued talents will need to pay more for their leisure than those with less highly valued talents, because the leisure of the talented is very costly to others if they do not use their talents. To pay for their leisure, then, the talented will end up either: (i) exercising their talents to buy some leisure, even if that exercise is something that they do not value; or (ii) they will do something they value but that does not use their valuable talents (write indifferent poetry), but then live badly because they will still have to pay for their leisure at the rate at which they could earn by using their high valued abilities (assuming a costless way to identify talents). Dworkin calls this solution "slavery of the talented."[5]

The terminology suggests that what is wrong with treating talents as collectively owned is that people own themselves. But Dworkin rejects self-ownership, or any argument for ownership that does not itself derive from the notion of equal concern. The complaint is that the proposal to treat talents as assets puts special burdens on people with socially valued talents, and those burdens are as unacceptable as giving them special benefits. The final allocation remains inappropriately endowment sensitive, though now the advantage goes to those whose endowments are less socially valued. Thus recall the earlier case of B and C who share a taste for a leisurely occupation. Suppose as well that B has a talent for business, but does not want to exercise it, while C lacked such a talent. If we treat talents as common assets, then B would envy the circumstances of the less talented C, because it would be less costly for C to buy the right to use his abilities in the more leisurely occupation. So B would be unduly disadvantaged by his talent.

6. **Insurance**

How then to solve the strategic problem? How can we achieve a combination of choice sensitivity and endowment insensitivity, given the interdependence of personality and circumstance? What would it mean to live in a world in which differences in economic fate trace to differences of personality—to differences in

[5] See “Equality of Resources,” p. 312 (of P&PA version).

the ambitions that guide our lives and the traits of character that enable us to pursue those ambitions—but in which we all face the same circumstances? In which we see ourselves as individually responsible for how we fare, and in which we see ourselves as collectively responsible for ensuring that everyone faces equal circumstances.

The proposal is to include a hypothetical market for insurance. In this market people know their abilities and preferences, but do not know the distribution of abilities and preferences for their society. As a result, they do not know the value of their abilities, and so assume that they have an equal likelihood of ending up in each position (in the case of the market for unemployment insurance, they assume that they are equally liable to end up unemployed). Then, in the real world, we model our tax system and system of social provision— transfers, unemployment insurance, health insurance, welfare—on the results of the hypothetical insurance market.

Suppose then that people can buy insurance against the eventuality that, because of either natural endowment or brute luck, they will be unable to earn at any percentile they choose. (Keep in mind throughout that we are assuming that there is a costless method for discovering abilities. So if you insure against being able to earn at the 70th percentile, then you collect only if you abilities prevent you from so earning. If you choose to earn at the sixtieth, but could earn at the 70th, then you do not collect. Instead, you have to pay the costs of your choice of an occupation that contributes less than you might have contributed, where the value of contributions is, as always, fixed by the personalities of others.) If you in fact are unable to earn at that level, then you receive the difference between what you are actually able to earn and what you would have been able to earn and what you would have been able to earn had you reached the coverage level that you chose. So for example you might insure against being unable to earn in the 40th percentile. If you are only able to make it into the 30th, then you receive the difference between income at the 30th and at the 40th .

The idea then is that we determine the average coverage level that would be chosen by individuals in the hypothetical insurance market, and the premium that would be required to purchase coverage at that level. Then we use that premium/coverage level as a basis for fixing the tax/transfer system. That is, we ensure people (through minimum wage laws, unemployment insurance, various other transfers) that they will not fall below the level that they would (on average) have purchased insurance to secure in the hypothetical insurance market. Put otherwise, the thought is that the modern social welfare state is basically a response to certain imperfections (perhaps unavoidable imperfections) in insurance markets, imperfections prevent people from insuring (as they would if they could) against the bad luck of, for example, having talents that are not highly valued.

Now you might wonder why people wouldn't ensure themselves against being unable to earn in the 90th-percentile. Since it will true of almost everyone that they cannot earn at the top 10 percent, they will almost certainly collect. Dworkin's response is that such insurance is irrational. The policy (tax rates) would be very expensive, since the company would almost certainly have to pay off. As a result the benefits of collecting wouldn't be very great. And if you had a high-value ability that enabled you to earn in the top decile, you would almost certainly have to use it to pay off the premium, and that would be very undesirable. So the benefits of collecting would not be very great, and the costs of not collecting would be very high, viz. slavery to maximum earning power.

On the other hand, there is a good reason to buy some insurance, even if you think that you are going to end having to pay the premium and not getting any transfer: because you are ensuring yourself against terrible eventualities, it is worth the cost. And if, in the insurance market, you were to suppose that being at the minimum and not having that minimum be as large as it could be is itself a terrible eventuality because of the potential threat to self-respect, then you would end up with the Rawlsian result. But Dworkin urges that people would choose a more subtle design: that they would, for example, be prepared to pay the administrative costs of monitoring to see whether people ended up doing poorly because of an unwillingness to take decent jobs. And they would likely be prepared to let the minimum be less than maximal, if the benefits elsewhere sufficient.

Now imagine someone objecting to a feature of the resulting system: suppose, for example, it includes (as Dworkin supposes it would) a system of income support that does have a fixed cutoff time. People are required to look for work, but they are not dropped after a fixed period of time. Suppose the person objects because he or she says that longterm unemployment is a matter of choice not circumstance, and that it is unfair for those who are working hard to have to subsidize people who are not. The insurance scheme provides the basis for an answer: the system of taxation and provision is itself chosen, under equal circumstances, by individual choices about how best to protect against risk. The system provides people with the insurance that they would have purchased for themselves, had they been in equal circumstances. All the burdens on others are taken into account at that point: though they are taken into account ex ante, under the assumption of equal susceptibility to risk (say, to the risk of unemployment or not having scarce and socially desired talent). If people have less protection than that, it must be that the reduction results from the fact that they do not face equal circumstances. But they are entitled to equal circumstances. So they are entitled to complain.

Suppose they complain that the system does not really treat people as equals because it benefits some people—those who in effect collect on their policy—and not others—those who pay the premiums but do not collect. Only a system that provides benefits to each person, they might argue, expresses the idea that members are equals. In response, it can be said to them that the system benefits each person judging *ex ante*: when they do not know the distribution of risks, and suppose that they face the same risks as others. And that assumption of equal risk, in turn, is of course not really true, but it is a way to model the idea that people are equals, that it matters equally that their lives be successful. Dworkin's point is that the *ex ante* standard of benefit is the morally right standard.

But there is another line of objection that might be raised. Some people might object that the system of insurance that results from the hypothetical market in part reflects the views of very risk-averse people, who are prepared to reduce the dispersion of life chances—and thus impose actual limits on others—because they have very unambitious views about how to live. This objection speaks to the ambitions of those people, not to their circumstances. The objection might say: if those people want to make a ruin of their own lives because they are cautious, fearful, and insufficiently achievement-orinted, so be it. But their caution should not play so large a role in defining the social distribution and opportunities available to others.

Notice however that precisely the same objection could be made to the high-fliers: their excessive concern with material rewards may reduce the level of social coverage: those who are less well-off would be better off if the high fliers were equally ambitious about achievements but not so concerned about financial reward for their ambitious ventures. In short, each side can challenge the views of the other about what a good and admirable life is.

Dworkin and Rawls in different ways seek to avoid engaging this issue, which is less about what fairness requires than about the best way to live. Like libertarians, they aim to defend a scheme of justice accommodates these different conceptions of how best to live: that is part of the force of the idea of “special responsibility” and of a division of labor between personal and collective responsibility. In a society of equals, deep disagreement about how best to live—including disagreement about the relative value of large achievement in a well-lived life— is part of the terrain. The challenge I have just mentioned suggests that this disagreement may not be so easy to bracket from argument about justice.