

Case Study: Wealth Distribution

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WHAT'S COVERED

In this tutorial we will be looking at various issues in the ethical evaluation of wealth distribution. Our discussion will break down like this:

1. Introduction to Wealth Distribution

Questions about how we should distribute wealth can come in many forms. They can be grouped into political and more narrowly ethical questions. Political questions ask how wealth should be distributed through social organization.

➞ **EXAMPLE** It could ask how the state can help the worst off in society, through welfare. Or it could ask how and when aid should be given to other countries in need.

By contrast, ethical questions ask what the individual ought to do with their wealth (e.g. if you should give to charity). Despite the important differences between these types of questions, there is overlap between them.



HINT

If you decided people with your income ought to contribute more in taxes, this is both a consideration about what to do with personal wealth, and about what policy should be taken at a societal level.

We will look in more detail in the next section at how it's often difficult to separate out the political and the ethical with topics such as these. In fact, as we will see, thinking that such questions can be addressed purely at an individual level can mislead us.

2. Rights to Wealth

A common sense way to look at things is to say that you have a right to what is yours. This seems so obvious that it barely seems worth saying. But it becomes less obvious once we consider where our wealth comes from.



DID YOU KNOW

The wealth of many Western societies would have been impossible if it weren't for colonization and historical exploitation of other countries (e.g. through slavery, stealing natural resources, etc.).

And these practices aren't consigned to history. Poor nations are still exploited today for cheap labor and resources. Once we become aware of global political reality, our right to wealth seems less obvious.



Can you have a right to something that was produced by violating the rights of other people?

The political background to the accumulation of wealth has importance for our individual ethical questions about wealth.

What's more, it doesn't seem that you have a right to a rich country's wealth just because you were born there. It's luck where you happen to be born, so you can't claim to deserve its wealth.

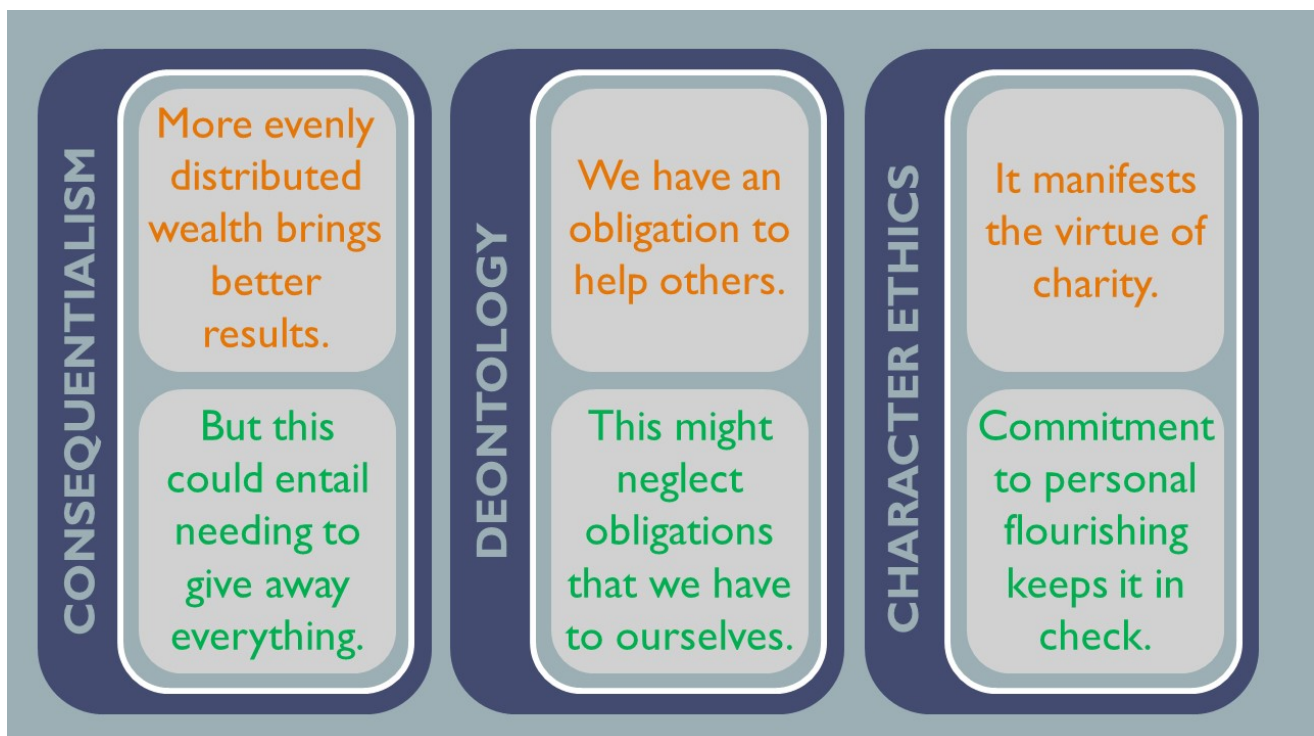
But even if, after all this, it's granted that you do have a right to this wealth, it still doesn't settle the question of what you ought to do with it.

➞ **EXAMPLE** Maybe there are good reasons to say that money (even if it's rightfully yours) in excess of need should be distributed to those that do need it.

Considerations such as these will be addressed in the next section by looking at what consequentialist, deontological, and character ethics have to say about this issue.

3. Ethical Theories and Wealth Distribution

All three main groups of ethical theories would say that we should distribute our wealth, but for different reasons. There is a worry, however, that some of them could lead to extreme interpretations of the ethics of wealth distribution. Below are the different ethical positions' evaluations (in orange) and an indication of how this can be interpreted (in green).



As you can see, consequentialism and deontology risk promoting charity at the cost of our own well-being. But since character ethics has an emphasis on personal flourishing, there isn't the same danger of neglecting the agent.

Although consequentialism and deontology don't have the same emphasis on personal flourishing, it's not too difficult for them to address this problem.

1. The consequentialist could argue that the happiness or well-being of the agent should be factored into the calculation of the consequences of any charitable action.
2. The deontologist could argue that the goals and ambitions of the agent matter as much as any other person's.

In both cases, a limit could be put on the extreme interpretation of the moral argument for charity. This is even more plausible once it's seen that distributing our wealth can be done easily without sacrificing our own well-being.

➞ **EXAMPLE** The money you could save by simply reducing some minor luxuries (e.g. eating out less often) could greatly help others, without overly restricting your own flourishing.



SUMMARY

We started this tutorial with an **introduction to wealth distribution**, paying attention to the political and ethical dimensions of this issue. We saw that, although they are distinct, there is overlap between them. Then we considered whether or not there are **rights to wealth**. Political and historical factors showed that our claims to the right to wealth are on shaky ground.

Finally, we looked at **ethical theories and wealth distribution**. Even if it's assumed that people have a right to their wealth, the three main groups of ethics argue that there are still reasons to distribute wealth. In particular, we saw that they all endorsed charity in different ways.