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JUSTICE AND POVERTY

ABBOTT PAYSON USHER
Cornell University

I

The discussions of the proper distribution of wealth that are now so common usually assume two propositions that are in fact highly questionable. A just distribution of wealth is assumed to be a completely satisfactory end of social endeavor, and society stands condemned, we are told, if the distribution of wealth is not definitely just. It is likewise presumed that justice is all that can or should be expected of social institutions. These assumptions reveal serious misunderstanding of the deeper meanings of the principle of justice. They are a direct result of the tendency to deem just those arrangements or consequences which appeal to the sentiment of the individual. Justice becomes synonymous with "right"—a right that is intuitively perceived and hence agreeable to moral sentiment. Precisely because of this identification of justice with what is felt to be right, the sentimentalist comes to regard justice as the *summum bonum*, and, with reference to social arrangements, all that can be desired.

Underlying this sentimental ideal there is a disposition to think of justice as something external; something contrived or invented by thinkers and reformers, bodied forth in social life

by clever institutional arrangements which accomplish that preponderance of good that is held to be characteristic of the "just" society. The organized system of repression and retribution seems to the naïve mind an exact and explicit indication that justice is indeed something external, brought into social life by men. Deep down in the thought of many people there still lurks the notion that misdeeds are not punished unless the offender is caught. There has doubtless been some progress since the days of Sparta, for few would actually confess to the belief that sin is sin only if it is detected. The naïve belief, however, persists despite all the teachings of literature, and despite a profound but obscure consciousness of the deeper meanings of justice which is revealed in its lowest forms by melodrama and in its highest forms by Shakespearian tragedy. The literary ideal of justice, frequently called poetic justice, is significant because it expresses the thoughts of the greatest thinkers and reflects convictions that are common to all.

Poetic justice is, as nearly as may be, the opposite of the sentimental ideal of justice. Poetic justice is a principle of necessity: it is an expression of rational rather than emotional needs. According to this notion, the consequences of an act are a necessary and inevitable result of the act itself. This is a principle of reason, because it is an assertion of the continuity of life and consciousness without which all living would be a mere jumble of incident devoid of moral content or rational meaning. The tragic literature of all ages is dominated by this conviction. "Whatsoever ye sow, that shall ye also reap." In early literature the process of retribution involves not a little mystery; the individual is compassed about by spirits whose activities seem to be external. In modern literature the chain of circumstance is more closely woven into the incident of daily life. Evil deeds bring their own retribution through the remorse of guilty conscience or through a final catastrophe created by the succession of misdeeds committed in a vain attempt to avoid detection and punishment.

It is of peculiar significance to note that the suffering of the innocent victims is no indication that there is no justice in the world. The nature and existence of justice is to be discovered

only in the relation of acts and their consequences. It must be evident that no individual can be guaranteed such independence and isolation as to insure him against any possible misconduct on the part of others. In its extreme form, the principle of justice requires an inconceivable degree of isolation and a hopeless enslavement to the past. Absolute freedom from all external interference would mean that nothing could break into the stream of individual action, whether for good or evil. The individual would indeed be master of his destiny, but the errors and sins of the past would be as a millstone around his neck. The influences and demands of social life destroy the self-sufficiency of the individual that is implied in the conception of justice.

The stream of circumstance in which we live is not really continuous to the extent implied. All the possible consequences of our acts seldom have the opportunity to reveal their full content before other acts have broken the chain of circumstance and thwarted necessity of its grim fulfilment. The rational disposition to conceive of life as wholly continuous slurs over many things that are persistently thrust upon our attention if we observe the movement of real events with any care. It is this failure to carry every act to its logical conclusion that engenders the mysteries of life, giving it an element of unexpectedness without entirely destroying that rhythmic structure that makes it intelligible even though the chain of circumstances is interrupted in a variety of ways. A world that was merely just would be wholly unreal. Life is neither as logical nor as pitiless as the principles of pure justice would require.

Both of the fundamental convictions of the sentimentalist are false. The existence of evil and of injustice in the world is no proof that there is no such thing as justice in our existing social order. However much suffering we may endure personally or behold as spectators, we, like Job, must maintain unshaken the faith that our lives are not mere capricious successions of meaningless events. To lose faith in the existence of some rational meaning in life is unconditional surrender. No doubt at times it seems as if absolute rationality—continuity—could alone make life worth living, but it is a delusion to suppose that a solution of

difficulties can be found in that complete mastery of destiny implied in the principle of justice. It would not be enough if the world were to become merely just. We could not even then intone a grateful "Nunc dimittis." Even if every one were to become the absolute master of his destiny for good or for ill, and all were to become so moral as never to interfere with the fulfilment of the ends and desires of others, even in that millennium of the individualist there would be something lacking. The imperfections and incompletenesses of the individual would make that millennial state a torture chamber fit to be compared with the hells of Dante's vision. Unless we were to become gods, we could not cheerfully accept the complete mastery of our destinies.

II

The limitations of the conception of justice are of peculiar significance with reference to the distribution of wealth. It is of the essence of justice that acts be judged with reference to the point of view of the doer. The protest against judgments based on conventions is merely an expression of this conviction. The content of the act and the intention of the doer always mean more to us than any conventional classifications of right and wrong. Acts are not right or wrong because they conform or fail to conform to social conventions; their meaning is to be discovered only in their full content in the consciousness of the doer. This fundamental importance of the individual point of view makes it easy to apply the principle of justice to the moral aspects of actions. Each individual does in a measure constitute a moral universe; he is, indeed, a microcosm set over against all that is external to his consciousness. The exclusion of external influences from certain judgments is therefore intelligible and intensely real. Even though there be some mysterious affinity between mind and mind, so that our feeling of individual isolation should really be deemed an illusion that will ultimately be overcome, we must none the less admit that our philosophies and our ethical systems rest upon this postulate of the isolated individual whose means of communication with the outside world

are imperfect and whose relations to it are subordinated to ends that are selfish, in a lower or in a higher sense.

The production and distribution of wealth is fundamentally a social process. The individual cannot be treated as an isolated unit. In isolation the individual could accomplish little. Furthermore, the significance of economic activities is determined primarily by their appeal to the needs and desires of others. The fact that Whistler painted the famous *Nocturne* in a few hours with little apparent effort was no indication that the high price set upon it was unfair or unjust. The significance of the result was not revealed or measured by the painfulness of the effort to the artist. Pleasure is paid for as well as pain, and sometimes more bountifully. There is a great temptation to seek for some direct connection between the quantum of effort and the amount of the reward. This would, indeed, be a legitimate application of the principle that there must be a direct connection between each act and its consequences. The analogy between moral acts and productive efforts does not hold. Productive efforts are not the acts of isolated individuals, nor can they be appraised exclusively from the point of view of the doer, like moral acts. The sacrifices and efforts of the producer are the least significant factor in the valuation of the product. The palpably great efforts of unskilful singers or actors furnish notable illustrations. The beautifully finished performance is not only achieved with less evident effort, but frequently with quantitatively less effort than is put forth by unskilful performers. In a boat race, for instance, it is entirely conceivable that the losing crew should have exerted more foot pounds of energy than the winners. Efficiency in many things means that energy is being exerted with economy, with a minimum waste in internal resistances. Results are not directly proportional to sacrifices, if we judge the results from the social point of view. With the individual it is different. The hopelessly mediocre painting, the inept and futile model of some proposed invention may contain a wealth of meaning to their creators that no masterpiece could convey to them. Worthless things may well furnish their creators with significant spiritual experiences.

Whenever the individual appraisal of results is set over against the social appraisal, there will inevitably be discrepancies which may seem to indicate injustice in the distribution of wealth. But criticisms of distribution based on allegations of such defects involve a misunderstanding of the conception of justice and a failure to appreciate the difficulties of applying to social problems a conception that is so essentially individualistic.

In no society can there be the close correspondence between productive effort and reward that exists in the moral realm between acts and their consequences. The productive process is essentially a joint process, involving the unconscious, and, at times, the unwilling co-operation of vast numbers of individuals. The efforts of a particular individual cannot be clearly distinguished. No special part or share of the product can be attributed specifically to him. Granted that he should receive "that which is his," there is no means of ascertaining precisely what is his. The principle of justice would require that he should receive such portion of the joint product as can be attributed to his efforts. Not his sacrifice, but his contribution to the final accomplishment is the proper measure of his reward. As a principle, this would be an adequate rendering of the more general statement that justice consists in the necessary connection between acts and their consequences. Remuneration in proportion to the product would indeed express a necessary connection between productive effort and its reward. Some such principle, too, seems to be implicit in the system of production and distribution under "free competition." There is a connection between efforts and products, but it is of such a nature that we can never adequately express this individual productivity in the wage or salary. We may say that a competitive society is just in principle, but we must needs admit that this principle is not as clearly manifested as it is in the field of ethics.

Sooner or later the ethical content of an act will be revealed to the individual. Even the most unimaginative criminal has the meaning of his deeds borne in upon him at last. Retribution may come in the more direct form of a final catastrophe, as to Macbeth; or there may be more of the drama of conscience in it all, as with

Hamlet's mother and uncle. The content of the deed is ultimately revealed to the doer. Social devices, police, detectives, and courts may facilitate this process, but even without any mechanism the evil content of misdeeds would become known. Similarly the content of just deeds becomes known to the individual. In some small measure, criminal purposes may be forestalled and circumvented, but innocence can be protected only in a measure. The mechanism of suppression can do little more than express objectively the truths that emerge ultimately in the inner life of the individuals concerned. In the realm of ethics, therefore, we may speak of justice as certain.

In the material world, distributive justice cannot be certain. All appraisals are subject to some errors, larger or smaller as the case may be. The valuation of the social product is not certain. The valuation of the efforts of particular laborers and classes of laborers is even more uncertain. Most of the product is distributed before its final values can be known. The process of production is directed with reference to expectations, and many workers are paid in terms of these expectations. The contribution of the individual to the joint product is thus unknowable; within some considerable margin of error, the individual's contribution may be ascertained by processes of imputation and computation, but not with any certainty. Furthermore, all these acts of appraisal must be repeated over and over again. They must be made in each case for stated periods of time and with reference to conditions that will change. There is no chance for the correction of errors, no eternity in which one may wait patiently for the revelation of truth. Action in the ethical realm is more closely related to the eternal verities. The continuous elements of reality are fundamental. In the material world we are closer to the flux of life. The submergence of the individual in the complex stream of circumstance keeps the discontinuity of life ever present. The notion of justice, a principle of continuity, thus means less in the material world. It is less clearly revealed to us, and such principle as we do discover is less certainly manifest. We may say with some assurance that no society will ever achieve any large measure of justice in the distribution of wealth.

We may say this without pessimism and without despair; for justice in and of itself cannot make life worth living, nor can the absence of a perfect and certain justice in distribution destroy any of the deeper meanings of life.

III

Recent studies of the distribution of wealth have revealed conditions that seem to admit no favorable interpretation. In the United Kingdom, 11 per cent of the population controls about one-half the total income; in the United States, 18 per cent of the population controls 45 per cent of the income. Many aspects of these statistical summaries are open to question; the most carefully prepared figures are at best only a crude approximation to the truth, but with these allowances the figures must be accepted as an account of the larger facts with reference to the distribution of wealth. The conclusions to be drawn from these figures, however, are by no means self-evident. There is no warrant for treating these percentages as *prima facie* evidence of injustice in the distribution of wealth. The full presentation of the statistical problem would be out of place here, and it is not desirable to create the impression that it is possible to prove any specific conclusion. It should therefore be sufficient to suggest that these facts may indicate conditions that are not sinister.

It is not difficult to secure the tacit assent of reader or audience when it is suggested that just apportionment of wealth should result in substantial equality, so that given portions of the population should receive equivalent proportions of the total income. Now few would presume that absolute equality of distribution would be possible; it would be admitted by most people that some moderate differences of income are reasonable as an expression of the differences in capacity. It is seldom that people realize how these moderate differences would affect the gross percentages.

"A concrete example," says Professor Young, "may give point to this consideration. Suppose that incomes in an imaginary society were distributed symmetrically around the modal or most common income, in the form of a normal frequency distribution.

This might represent either one of two things: (1) a normal distribution of ability and a perfect proportioning of income to ability; (2) a random or chance distribution of incomes, under the influence of complex but unbiased forces. This second condition would be consistent with the existence of real equality of opportunity, broadly understood, coupled with the presence of a myriad of small circumstances that might deflect one towards a lower or a higher portion of the income range. Now suppose that the average family income is \$1,500 and that half of the families get incomes that are within \$200 of this average. Under such conditions the richer half of the families would get 58 per cent of the aggregate income and the poorer half would get 42 per cent. Increase the dispersion of distribution somewhat, so that half of the incomes are between \$1,000 and \$2,000. Then 70 per cent of the aggregate income would go to the richer half of the population, and 30 per cent to the poorer half. Increase the limits between which half of the incomes fall to \$800 and \$2,200, and the portion of the aggregate income assigned to the richer half of the population becomes 78 per cent, leaving 22 per cent to the poorer half.

"I do not think that Dr. King's recent estimates err in the direction of underestimating the present inequality in the distribution of incomes in the United States. He assigns about 27 per cent of the aggregate income to the poorer half of the families and 73 per cent of the richer half. But this is a slightly smaller degree of concentration than would be given by a normal frequency distribution with half the incomes falling between \$900 and \$2,100. This suggests that no single or general statement of the degree of concentration can give, by itself, an adequate notion of the extent to which the existing distribution of wealth has to be deemed unsatisfactory. . . . The amount of concentration, the amount of departure from a condition of uniform incomes, does not matter so much as does the particular form of the income distribution underlying the concentration."

Particular kinds of concentration may be unfortunate, and there are grounds for believing that some aspects of the present distribution of incomes are abnormal and undesirable. It would seem that there is an undue porportion of very large incomes and

an abnormally small number of incomes intermediate in size between the very large incomes and the average income. These large incomes are not individual incomes in the strict sense of the word, though industrial conditions have placed them in the hands of individuals. Such wealth is really social in its origin, the cumulative result of the changes in industrial technique that have been the work of two or three generations of men, inventors and captains of industry. There has been some caprice, perhaps, in the massing of the profits in the hands of particular individuals, and yet the mere size of the income has made it impossible to devote such fortunes to purely individual ends. The larger portion of such fortunes has, in fact, been devoted to social uses. If desirable, the disposition of such incomes could be significantly altered without destroying the competitive character of social organization.

The severest criticism of the concentration of wealth, however, has been based upon a slightly different use of these statistics of income. Division of the total income of the United Kingdom by the total number of families seems to indicate that an equal distribution per family would enable all to live in substantial comfort. Each family might have \$1,100. Similar possibilities exist in the United States. These figures and sundry statistics of production have lead some economists to declare that poverty can be abolished. William Smart, the English economist, says that these figures present a "dazzling possibility;" he is not sure that the results could actually be accomplished, because it might be impossible to induce people to consent to the reduction of all incomes to an equality. Professor Hollander cherishes a stronger conviction. "Like preventable disease," he writes, "economic want persists as a social ill only because men do not sufficiently desire that it shall cease. There is still much mumbling of common-places, and it has seemed worth while to emphasize anew this definite corollary of modern political economy, that the essential causes of poverty are determinable and its considerable presence unnecessary."

These expectations are based upon an illusion. The development of the present industrial system forces all to strive for pur-

chasing power. Scarcely any worker today feels conscious of any struggle with nature. We all seek money incomes, assuming that if there is money in hand, all material goods can surely be procured. A couple of centuries ago, when industry was proportionately less important and the primacy of agriculture definitely recognized, there was a greater disposition to think in terms of commodities. Prosperity or distress depended upon the character of the harvests, and it was not merely a matter of having a greater or a smaller money income, but an actual difference in the abundance of food. The problem of getting through until the next harvest, which has become with us a war problem, was with them a persistent feature of life. In those days none could forget that the struggle to provide for material wants was in reality a struggle with nature, rendered hazardous and uncertain by the caprice of seasons. When dearth came it was accepted with resignation, and, in the less fertile districts which never afforded bountiful subsistence, the persistent pressure of hardship was likewise borne with resignation. In the midst of such circumstances it was not difficult to explain poverty; the humblest understood.

Now that this struggle with nature has become less direct, so that the economic problem seems to be merely a struggle for purchasing power, poverty is not so easy to understand. There seems to be an abundance of goods if only there is money to buy them. Employment at a sufficient wage seems to be the only difficulty; to the workman, the obstacle that stands between him and adequate maintenance is not a capricious and uncertain Nature but the niggardly employer. The direct obstacles always assume concrete human or social form. The existence of poverty seems to be positive proof that there is some vital defect in the mechanism of this industrial society that offers all things in its markets and withholds the wage that would enable the workman to buy.

The apparent abundance in the markets is misunderstood. The caprices and niggardliness of Nature are not overcome and done away with by making the struggle less direct. Purchasing power is not food and drink, raiment and shelter; nor does the

apparent offer of all things for a price guarantee such abundance that all may be fed and clothed.

Return for a moment to the dazzling prospect held forth by the equal division of purchasing power among all the families of the United Kingdom. By the simplest process of arithmetic it is demonstrated that there is sufficient purchasing power for all. This purchasing power will be sufficient, however, subject to two conditions. The general level of prices must remain unchanged and there must be enough goods to supply the demands of willing purchasers. It is scarcely conceivable that either of these conditions would be fulfilled.

If by some act of magic the division of incomes were carried out overnight, there would be a most serious lack of adjustment between supplies and demands. There would be too many motor cars, too many fine silks, too much champagne. The supplies of meat, cereals, cottons, and medium grade woollens would be inadequate. Many house servants would be discharged. Prices would inevitably change. Many radicals would rejoice in this readjustment of production to the legitimate needs of the population. The curtailment of luxurious consumption and the deflection into other channels of the labor set free would be regarded as an estimable result of the change in the distribution of wealth. The lack of goods would be only temporary, according to the radical.

We cannot be certain that the lack of goods would be temporary. The redistribution of incomes, if permanent, must imply that such incomes are received in return for labor. After the first redivision, it must be assumed that these incomes are earned. Now the income of the majority of the families of the artisan classes would be increased by about one-third by such a division. If the new incomes were paid to them as wages, wages would have to be significantly increased. Such an increase in wages would inevitably mean an increase in all prices, and with the increase in prices would disappear all hope that the equal incomes per family would afford adequate maintenance. The prospect suggested by the statistics of income is thus pure illusion, because it is based on the assumption that the purchasing power assigned to each family would always command as much in the markets as it does today.

IV

The disposition to treat the problem of poverty as a problem of justice in distribution is unfortunate. It is not true that the material comfort of the wealthy and the middle classes is enjoyed at the expense of the poor; nor is it true that the misery of the poor is merited, a just judgment upon deficiency and inefficiency. It is naïve to suppose that difficulties and evils are all due to human wickedness, and that all of them can be overcome by mere honesty and competency in high places. Nothing is explained or accomplished by this disposition to apply opprobrious terms to either rich or poor, and it would seem that effective study of poverty and its alleviation would be most significantly furthered by abandoning this unfruitful discussion of justice.

Questions of right are likely to be determined in the light of personal convictions, so with characteristic certainty that happiness and virtue must needs go hand in hand, the mid-Victorian adopted the simple program of preaching middle-class virtues to the poor. Smaller families, higher standards of comfort, and good middle-class prudence were deemed a sufficient solution. The earlier writings of Miss Jane Addams furnish a significant commentary. Her work in the slums was begun under the influence of this mid-Victorian idealism. The settlement was to afford the means of teaching these ideals. But the aspiring teacher soon discovered that she was really the pupil, learning the terrible lesson of the slum: that large families represent the wisdom and prudence of the slum as truly as small families represent the collective wisdom of the middle class. It has been the achievement of this generation to attain sufficient knowledge of the slum to understand its life, at least in a measure. Many thoughtful workers have been reaching out toward this same truth that large families are an inevitable outcome of slum conditions.

The life of the slum is dominated by the grim necessity of rearing large families as a provision for old age, despite the severity of the economic pressure caused by these numbers. Life in the slum runs in a vicious circle. It is a wheel of life from which the individual can scarcely ever entirely escape. The situation is vividly described by Seebohm Rowntree with reference to York,

England. The newborn child is nearly if not quite adequately nourished. At the age of three or four, the child must begin to share the privations of the family. When the adolescent boy or girl begins to contribute something to the family income at twelve or earlier, more adequate provision for its wants is possible, must indeed be made in hopes of maintaining the earning power of the family. Between eighteen and twenty-two the average youth is fairly prosperous, his wages are about as high as they are likely to become and his responsibilities are limited to the provision for his personal wants. Rarely would he feel any obligation to his parents. This condition of well-being cannot long continue. If he is prudent, he marries. The wages which were wholly adequate for his needs become relatively inadequate for the needs of the family, particularly when it becomes necessary for his wife to give up her work. The rearing of the children subjects the family to a period of pressure. Some members must needs be undernourished and ill provided with clothing. Much of the burden falls upon the mother. Any serious illness or accident to any member of the family may, at this period, result in definite pauperism. There is no margin for unusual expenditures. Now it will be apparent that the only provision for the declining years of the parents is a number of unmarried children capable of making some contribution toward the support of their parents. Unless the family is fairly large there will be no unmarried children when the parents reach the age of forty-five. It will also be evident that the burden of supporting an elderly parent cannot be borne by one unmarried child.

Provision for the years of impaired earning power is thus the dominant feature of the life of the poor. It would seem that the primary solicitude of reformers should be provision for old age. This is indeed a prominent feature in modern social legislation, but the study of the details of modern insurance statutes affords abundant evidence of the intrinsic difficulty of the problem. The earning power of the manual worker is likely to decline after forty-five, and at fifty the average individual would be partially, if not wholly, dependent. Significant attack upon the problem of poverty would thus require provision of old-age pensions begin-

ning at the age of fifty or fifty-five at the latest. The age limits in the various insurance laws are much higher: sixty-five in Australasia, seventy in Germany and Great Britain. In Germany considerable numbers of workmen become entirely dependent before they reach the age of seventy, and though they will have a right to a pension ultimately, they have neither the means to live nor the means to contribute the necessary payments to the insurance fund. In such cases the Poor Law authorities provide for the immediate needs of the individual and also make the payments to the insurance fund. If the man lives to the age of seventy he becomes a recipient of an old-age pension and ceases to receive an allowance as a pauper. The Germans entertained high hopes of their insurance legislation, but it has neither diminished the relative amount of dependency in the community nor the relative expenditure for poor relief. These measures were designed to supplant at least a certain amount of poor relief, and, if the scheme were adapted to the accomplishment of its evident intentions, it would doubtless diminish expenditure for the relief of the aged poor. The failure to achieve this result is probably due to the excessively high age limits. These pension laws will probably fail to produce the desired results until the age limits are significantly reduced.

The financial problems that would be created by such a change in the age limits of the pension laws, apart from any increase in the small stipends now furnished, would have strained the budgets of the leading countries even before the war. The insurance laws are an enormous burden as they stand, and each year that the age limit was reduced would increase the financial obligations by immense sums. These comments must not be interpreted as a criticism of the existing laws. The statutes as they stand are productive of much good, and they may lead to larger results, but it is essential to realize clearly why such acts fail to accomplish all that has been anticipated. The logic of these laws is sound, but it is not wholly a question of logic. It is also a question of finance, and it may be permitted to doubt the possibility of ever carrying such a reform to its logical conclusion. Much good may be done, however, even if all the anticipations of the

most optimistic reformers are not realized. Poverty is not a permanent condition even today, if we may trust the analysis of Mr. Rowntree. Primary poverty is felt during the earlier years of married life, and many families rise out of this position of extreme pressure. Well conceived remedial legislation can doubtless diminish the length of this period of pressure, mitigate some of the hardships, and make it easier for the individual and the family to rise out of this condition. If ideals of individual responsibility are to be retained, there must be some possibility of failure, but the result of economic failure need not extend beyond a probationary interval, and this interval can be used for vocational training. Even if poverty cannot be abolished, it need not be a condition of abject misery unrelieved by prospects of ultimate achievement of a decent standard of living.