

"The rich should be obliged to give to the poor because they don't deserve what they have."

Albert Einstein once said of taxation, that it was a “question too difficult for a mathematician. It should be asked of a philosopher”. Einstein’s answer touches on the side of the taxation debate which is rarely explored in modern discourse on the subject, but one which should carry a great deal of significance. To examine this statement, it should be broken down into two premises. The first is whether more affluent members of society deserve what they have, and the second is whether this can be used to justify an obligation to redistribute (or a legal duty to redistribute) their wealth. To explore this, one must examine the morality of inequality, when it is the result of educational imbalances, and whether this can justify wealth redistribution.

The first question to address is whether one individual’s accumulation of property can have a negative, external effect on other individuals. One of the key weaknesses of those who support minarchist levels of state taxation is the belief that the accumulation of property within the market does not result in negative, external effects on other individuals. This would therefore undermine the justifications for redistribution of wealth because each individual has the ability to attain prosperity subject only to their own abilities. However, this relies on the illusory notion of a limitless market. The economy may have boundless potential, but it will forever be restrained by a scarcity of resources. Free-market competition is not wholly the ‘positive creation of new and additional wealth’, as George Reisman argues, because at the base of any modern economy there remains a seminal role for finite primary resources such as fossil fuels, and for a determinate number of consumers. Whilst every individual has the power to shape the market around them, one cannot neglect the reality that capitalism is composed of both the creation of new economic resources but also, crucially, the competition for existing ones. Thus, within a free-market system if one individual flourishes it will always be partially at the expense of another, suggesting there is a compelling case that when an individual’s economic strength increases because of their background, poorer individuals will be negatively impacted by that individual’s upbringing.

Having accepted this premise, the conclusion can therefore be drawn that discrepancies in birth and background give segments of society an advantage over others in the struggle for market capital, and thus places a strain on deprived families in their pursuit of financial stability. It remains a largely accepted truth that the success of a child is governed, in no small part, by the social milieu and education of that child. Poorer students on free school meals are 27% less likely to attain 5 GCSEs in the A* to C bracket than their more financially empowered peers¹. Children in deprived regions of the UK struggle to gain a foothold in the economy whilst those from comfortable neighbourhoods have far brighter prospects. A newborn in Oxford has a

¹ Social Mobility Commission (2017) State of the Nation 2017: Social Mobility in Great Britain. Available at <https://www.gov.uk/government/publications/state-of-the-nation-2017> (Accessed: 1st June 2019)

51% chance of being in a professional or managerial role in adulthood, for those in Newark that figure slips to just 21%². Notable exceptions exist, such as the powerful story of British magnate Sir Alan Sugar, but unfortunately the humble beginning of Sugar is an enduring feature of the public's memory only because it remains so atypical. The philosophical outcome of this is that imbalances in beginnings gives a competitive advantage to the wealthy in the struggle for limited market resources, and thus that the absence of some mechanism for wealth redistribution is morally incompatible with both foundational equality and a free-market economy that permits individuals to accrue private property.

However, if one is to pursue a primarily philosophical examination of the morality of wealth redistribution, it is not enough to only find a negative philosophical critique of inequality, one must also deem the processes of wealth redistribution philosophically legitimate. Whilst charity remains an acceptable form of redistribution which does not encroach on an individual's sovereignty, progressive taxation is, in its current form, irreconcilable with individual rights if authority is not justified through divine right. One of the key arguments against government-mandated wealth redistribution is that citizens do not retain the ability to detach themselves from the social contract. If the notion of Providential rule is rejected, then the state is reduced to an organisation, not dissimilar to a business, whose power is derived from an unwritten social contract. What makes this contract exceptional is that citizens enter into it at birth, when they cannot seriously consider it. Given that the social contract, under which citizens must obey the law in return for protection of the legal system, is a fundamental justification provided by the likes of John Locke for the existence of a sovereign liberal state, it must be made compatible with liberal principles if it is to exist. As a result, taxation can be levied by the government at any level, on the condition that the wealthy have the option of unilaterally eschewing tax payments and state protections, such as from the police, health and fire services. Whilst this right partially exists in the form of emigration, providing emigration as a solution is unacceptable because it assumes that the state has sovereignty over one's land and home in the first case. As a result, an adjusted social contract remains the only condition under which taxation can be deemed acceptable.

In conclusion, philanthropy exists as a strong moral obligation for the wealthy, and should reflect the privilege of their upbringing in comparison to that of others. As a legal obligation, however, it is difficult to justify taxation as it stands because it constitutes part of a state system based on contradictory philosophical foundations. Wealth redistribution should form a serious part of our state's functions, but can only exist as part of the social contract if one can withdraw from that contract and face the dangers of the world by themselves. Society can only consider the mathematics of wealth redistribution when it has an acceptable and coherent philosophical basis.

Word Count: 999

² Ibid.