# What If We're Not Content with *Living Together*? The Threat of Alienation

# Harrison Frye University of Georgia

#### 1. Introduction

Living Together draws together several themes and ideas from David Schmidtz's work into an eminently readable, provocative monograph. In a way that only Schmidtz can, Living Together makes the case for how political philosophers go astray when they fail to take seriously the reality and history of commercial societies. Commercial societies take people as they are and, despite all of our flaws, motivational foibles, disagreements, and the like, get us to work together to make societies that are not just "famine-proof," to use a metric Schmidtz favors, but also wealthy in ways that early theorists of the commercial society could not imagine (pp. 56–61). As Schmidtz points out, theorizing without attention to how these societies succeed may have us imagine and pursue ideals that are dangerous despite their beautiful allure (pp. 91–93).

Much of my own work focuses on addressing critics of commercial society. Indeed, I take Schmidtz's oeuvre as an inspiration for how I think about many of these issues. For these reasons, I find myself in an uncomfortable position as a commentator. My experience of reading *Living Together* was enjoyable, as I found Schmidtz's classic style of pithy formulations with profound points agreeable to how I conceptualize the task of political philosophy. However, this is not the space to simply register agreement. Agreement is pleasant, but it makes for dull commentary.

While thinking about what I wanted to write on in Schmidtz's book, I had group presentations in one of my undergraduate courses. The assignment was to use an idea from a modern political thinker to illuminate contemporary politics. David Hume was an option, but no

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<sup>&</sup>lt;sup>1</sup> David Schmidtz, *Living Together: Inventing Moral Science* (New York: Oxford University Press, 2023). All subsequent references to *Living Together* will be cited by page number parenthetically in the text.

student group went with Hume, one of the guiding stars of Schmidtz's book (and, I should note, one of my own). Instead, Karl Marx was the most popular choice. Marx only makes a brief appearance in *Living Together*. And yet, Marx, as far as I can tell, thought of himself as working in a similar tradition to Adam Smith of trying to give an account of how things work. Marx, however, had a different ultimate appraisal of commercial society than Smith seemed to. Many students found Marx's account of alienation illuminating and thought that it helped them understand how the current economic system drives misery and unhappiness. It seems fair to say that many of my undergraduates have a different way of seeing things than Schmidtz does. Where Schmidtz sees cooperation and prosperity, my undergraduates see alienation and exploitation.

What I want to do in this commentary is offer a diagnosis and prognosis of this discontent with commercial society. Taking a page from Marx (and my undergraduates), the worry is that commercial society operates in a way that is alienating to many of its members. However, I will take a different tack from Marx. My claim will be that the opacity of market life, rather than the drudgery or meaninglessness of work, is what leaves people unmoored and discontented, even if it feeds them and gives them riches. Specifically, markets result in allocations that offend commonsense notions of justice and desert, and for this reason alienate many members of such societies. Furthermore, I want to argue that friends of commercial society ought to be worried about this alienation, as it may serve to undermine support for those institutions and practices that have a history of working by resolving conflicts and satisfying material needs for millions (if not billions). When people are alienated, they run into the hands of demagogues and populists seeking power. This is dangerous.

I am not fully sure what I think about this worry or even whether I think it succeeds. Nonetheless, I hope my remarks help push the conversation forward.

# 2. What Works

Prior to advancing the concern about alienation, I will briefly reconstruct a few strands of Schmidtz's ideas from the book, particularly his general insights into political theorizing about justice. Reconstructing these strands will help motivate my comments about alienation.

Schmidtz frames his project as being about conflict (p. 7). The idea, as I understand it, is that for both societies and individuals, we

cannot have it all. Starting with the personal, ideally, I could spend limitless time working on this essay. However, as Schmidtz would point out, this way of framing how to write this essay sets aside the real problem: namely, I do not have limitless time. Making matters more complicated is that writing this essay is not the only important thing in my life. I have teaching obligations, my son, my wife, my health, my hobbies, and so on. I must manage the conflict between what matters to me. A serious personal ideal is one that takes seriously the fact that I cannot have it all. But what is true of me is true of us all. Just as I cannot have it all, we cannot have it all. Making matters worse is that, while I may think we should resolve these conflicts one way, you may think we should do so another way.

Justice, on Schmidtz's telling, is the way we manage conflict between persons. To use Schmidtz's illuminating metaphor, justice is a system of traffic management (pp. 17–20). If we begin designing a traffic system by assuming that we have to agree on where we all are going before we each head off on our way, this is doomed from the start. However, we can have a system that allows each of us to get to our destinations such that it keeps us reasonably out of each other's way.

Why should we be satisfied with this second-best solution? Why not strive for more? In the traffic analogy, no one ends up anywhere other than still bickering in our driveways if we demand agreement on destinations before embarking. Shifting to the societal level, making consensus at the level of ends a requirement for a just system makes conflict the only thing we end up achieving. As Thomas Hobbes famously argues, a scenario where conflict is all we can hope for is the antithesis of the ideal.<sup>2</sup> Indeed, it is the one thing we should avoid.

Because of this, Schmidtz argues that we should focus on what works when we focus on what allows people to cooperate despite the fact that they have their own lives, ideals, ends, desires, and the like (pp. 20–23). Societies that allow disparate people to cooperate and see each other as cooperators not only put food on the table, but also allow us to live with wealth beyond what our ancestors could predict (pp. 46–47). So far, what has a history of doing this involves a certain set of property rights, a system of trade, and a set of institutions that enforce these rules in such a way as to limit the damage of making it a prize to have the power to make and enforce rules.

<sup>&</sup>lt;sup>2</sup> Thomas Hobbes, *Leviathan*, ed. Edwin Curley (Indianapolis, IN: Hackett Publishing Company, Inc., 1994), chap. 13.

This is a brief summary of a rich set of ideas and it does not fully do justice to Schmidtz's arguments. It is but one angle on the ideas in *Living Together*. Nonetheless, it is the angle important for my purposes here.

#### 3. Alienation and the Market

As noted, many do not share Schmidtz's enthusiasm for commercial society. Many look around and do not see what has a history of what works, but rather a system that fails to deliver results that are fair and just to all. The quickest way to see how the market is prone to generating this sort of discontent is to see how the market diverges from Schmidtz's traffic analogy. Roughly, traffic management resolves conflicts in ways that are transparent and intuitively fair to participants in these conflicts. Markets, however, do not do this, as I will argue. This is because the market is simultaneously more transparent *and* more opaque than traffic management such that participants are unlikely to be satisfied with how conflicts are resolved, at least when looked at from a certain perspective. Let me explain.

Think about how conflict is resolved at a four-way intersection guided by stop signs. Suppose I come to an intersection first and you come second. We know little about each other. I do not know where you came from and you do not know where I came from. I do not know where you are going and you do not know where I am going. What we do know is that we need to manage the question of who goes first, if we wish to avoid playing a dangerous game of chicken. Given that I got to the stop sign first, the normal convention is that I go first and you go second. On its face, this convention seems like the most efficient one. After all, if the second person to stop were to go first, this is suboptimal in that I am waiting longer than you would be under the alternative convention. Another thing to notice about the convention is that it is not only efficient, but also intuitively fair. From the point of view of coming up to intersections, you have no reason to believe that you will always be second to stop. Because of this, you have to wait a little bit this time, but you have reason to expect in the future maybe I (or someone like me) will have to wait. On average, it seems like the convention of "first to stop is first to go" is both efficient in the sense that it minimizes waiting time and fair in the sense that, on average, the amount of time each person waits should be equal.

I think it is important to the traffic management analogy that conflict is resolved in a way that all participants can see as reasonably

fair. Part of how this works is that parties only focus on the limited conflict at the intersection; we do not see starting points and we do not see ending points. We only see the intersection. Are the rules and conventions of property and market society like this? In some ways yes, but in some very important ways no.

If you look at individual transactions, there are similarities. When I go to the store or deal with a particular person, most of the time there is rough opacity surrounding starting points and ending points. The florist does not know my starting point nor my ending point after the transaction. Similarly, I know little about where the florist comes from and where she is going. We do, however, manage to make a transaction using the rules of commercial society in a way where both of us feel better off having traded. So far, this is like the intersection. However, what happens when I look up from my transaction and see the bigger picture?

When I look around at market society, I can notice starting points and ending points, at least at a coarse-grained level. I notice, for example, that not all children have the same opportunities from the start. This is not something that washes out over a life, like who goes first at the intersection, but makes a difference to how lives go. Many point out which income percentile a person is born into correlates strongly with which income percentile that person ends up in.<sup>3</sup> It is a natural thought to wonder whether this is fair, even if one might accept that the system so far has kept you from famine. Even setting aside the issue of where people start, I also notice that people end up in very different places as well. The janitor who keeps the operating room sanitized for the next surgery does something that is immensely important. The chief executive officer (CEO) of a sports betting company does something that many argue is destructive and wasteful. Yet it is the latter who is paid tens of millions of dollars, while the former makes perhaps something like a tenth of a percent of the CEO's salary. Again, this only compounds a sense that things are not fair or just.

My worry is that this disconnection between market outcomes and intuitive fairness or desert is a recipe for discontent and alienation from commercial society. Notice that this kind of alienation is distinct from how Schmidtz understands the problem. Schmidtz reads Marx and Smith as worried about the alienation that results from engaging in

<sup>&</sup>lt;sup>3</sup> E.g., Raj Chetty et al., "Is the United States Still a Land of Opportunity? Recent Trends in Intergenerational Mobility," *American Economic Review* 104, no. 5 (2014): pp. 141–47.

meaningless work and drudgery (pp. 110–11). This is a kind of alienation for sure, but it is different from the kind I am highlighting. The kind of alienation I am worried about is not from one's own work, but rather, emerges from a sense that the system does not track justice. Schmidtz talks about what brings people to the table and respecting people's contributions (pp. 27–28). Given the differences in pay between the janitor and the sports betting company CEO noted above, someone might reasonably reply that it is difficult to see how the market respects people's contributions.

It is worth acknowledging that this is a different way of describing Friedrich A. Hayek's important point that markets track value, not merit. Roughly, the idea is that outcomes of markets are not going to match our intuitive notions of fairness or desert because these outcomes do not really track so much how people bring their wares to the market. Instead, all the market tracks is who wants to buy those wares, whether those wares be the product of hard work or dumb luck. Hayek predicted that this would generate alienation and discontent. Given my experience with undergraduates, I think it is fair to say he was right.

# 4. Why Care about Alienation?

Why care about alienation from commercial society? In an earlier work, Schmidtz describes alienation as something that can be solved on a personal level. Similarly, a running subtheme in this new book is maturity. In multiple places, Schmidtz describes the hallmark of maturity as getting past appearances. Echoing Smith, don't just be loved, be lovely (p. 109). We start with hypothetical imperatives, but we grow up (hopefully) and end up with categorical imperatives (p. 201). Ideals are nice dreams, but adulthood is about recognizing what is a fantasy and what is realistically worth having (pp. 70–74). And so on.

<sup>&</sup>lt;sup>4</sup> Friedrich A. Hayek, *The Constitution of Liberty: The Definitive Edition*, ed. Ronald Hamowy (Chicago, IL: University of Chicago Press, 2011), pp. 137–61.

<sup>&</sup>lt;sup>5</sup> Joseph Heath, "On the Very Idea of a Just Wage," *Erasmus Journal for Philosophy and Economics* 11, no. 2 (2018): pp. 10–21.

<sup>&</sup>lt;sup>6</sup> Friedrich A. Hayek, "The Moral Imperative of the Market," Mises Institute, April 19, 2011 (originally published 1986), accessed online at: <a href="https://mises.org/mises-daily/moral-imperative-market">https://mises.org/mises-daily/moral-imperative-market</a>.

<sup>&</sup>lt;sup>7</sup> David Schmidtz, *Elements of Justice* (New York: Cambridge University Press, 2006), p. 87.

On this view, it is not surprising that the young have such attitudes toward the system. Perhaps they have not sufficiently matured to see past the appearance of the market. As Schmidtz points out, if one looks at a snapshot of the market and looks at outcomes, it can look awfully unfair in just the ways noted above (pp. 222–23). Maturity is realizing that, when reflecting on where one is now, one has to think about where one could be in the future. What kind of society gives people opportunities to grow over a lifetime? How do we avoid stunting development? A society with the rule of law and property rights may be such a society, even if it does not track commonsense notions of fairness or desert.

I think there is something here, but I am not satisfied—or rather, my fears are not allayed. First, it is not clear to me as of yet that the current backlash to commercial society among the young is an age effect as opposed to a cohort effect. Only time will tell. Second (and more importantly to me), seeing alienation as solved on a personal level misses its political consequences.

In the United States and England, we have seen popular support for governance that walks away from the hallmarks of commercial society. While writing this essay, President Joseph Biden announced increased tariffs on a wide range of goods from China. This is continuation of a general protectionist policy that has been the hallmark not just of Biden's presidency, but of the previous presidency of Donald Trump as well. There seems to me to be a loss of appetite for the vision of Adam Smith, and instead a return to the vision offered by his mercantilist opponents. Despite knowing since at least Smith's time that such policies do not promote wealth but instead benefit the few at the expense of the many, protectionism seems the approach of the day among the major political parties in the United States. This is just another way of saying that protectionism sees sufficiently wide support among voters.

My suspicion is that the appeal of these populist economic interventions gets its drive, in part, from the alienation people feel from

<sup>&</sup>lt;sup>8</sup> For some survey data about attitudes toward socialism and capitalism, see Lydia Saad, "Socialism as Popular as Capitalism Among Young Adults in U.S.," Gallup, November 25, 2019, accessed online at: <a href="https://news.gallup.com/poll/268766/socialism-popular-capitalism-among-young-adults.aspx">https://news.gallup.com/poll/268766/socialism-popular-capitalism-among-young-adults.aspx</a>. Roughly, equal portions of young adults favor socialism as opposed to capitalism.

<sup>&</sup>lt;sup>9</sup> To be clear, Schmidtz acknowledges that alienation results from a social context; see Schmidtz, *Elements of Justice*, p. 87.

the economic order. They look around and get the sense that the system does not work for them in the sense noted above; that is, markets do not seem to track intuitive notions of fairness. And so, they turn to those who say they can fix the problem. These leaders can make the system work again in favor of those who feel detached and discontent—or at least they say they can.

One major line of argument in Schmidtz's book is how redistribution is distinct from the power to redistribute (p. 128). Certain forms of redistribution may be something we want, but when we give someone the power to redistribute, this does not mean we get the kind of redistribution we want. This is because we have to think about this power as a kind of prize. Specifically, we have to think about who wants the power to redistribute and what they will do with it. The worry is that rather than redistributing wealth and income in ways that are unobjectionable, such power will be "used to redistribute from those with less political power to those with more" (p. 129). Most of us are aware, even if only dimly, of this danger of amassing power. And yet, many think that somehow this time it will be different. "The system isn't working," they say, "We need to try something else. We need someone to have more power." So someone might think.

We should care about alienation because it makes this train of thinking attractive. Alienation makes alluring the siren song of politicians who claim they can fix things. Even if people know there is a danger or risk to centralizing power, they see a system they cannot reconcile themselves to and so nonetheless want to hand over the power to redistribute. If markets predictably give rise to alienation in the way I suggest, then markets also predictably lead to the sort of corruption that worries Schmidtz and myself—at least this is my hypothesis.

### 5. The Challenge of Alienation

In the introduction, I noted a great deal of agreement with Schmidtz. My purpose in this commentary has been to articulate a worry I have about the idea that a conception of justice should focus on what has a history of what works. Roughly, the worry is that what has a history of working—commercial society, in this case—provides the goods in a way that many find themselves unsurprisingly discontented with. The reactions people have to large amounts of economic inequality strike me as understandable and intuitive. When someone sees others get rich selling something that seems trivial while others merely get by doing something important, it makes sense to wonder

whether what we have actually "works." The problem, however, is that attempts to find alternatives have floundered in horrific ways. Nonetheless, this does not stop people from trying. It is easy to take for granted a society that is famine-proof if you yourself have not experienced famine. Because of this, I fear that what has a history of working may not be enough to sustain itself over time.

In the last section of the book, Schmidtz places his account of justice in an ecological framework. Roughly, justice is about what works in the sense that it allows us to respond to the human condition in a way that is more or less adaptive (p. 220). Indeed, Schmidtz argues that a conception of justice that allows for trade is part of the story as to why humans survived and thrived while Neanderthals did not (pp. 228-31). Seeing justice in this way provides an alternative way for thinking about the link between commercial societies and alienation. Some adaptations help further the reproductive success of an organism's genes at the cost of the well-being of the individual organism. Similarly, some cultural adaptations may allow a society to flourish while working against the fulfillment of its individual members. 10 Ecological justice may work, but it may work through us rather than for us. If this is true, this may be a problem for the long-run sustainability of commercial society. Even if commercial society can survive these threats, we may wonder whether we can hope for more than a famine-proof society that gives us wealth but in ways that many find deeply alienating.11

<sup>&</sup>lt;sup>10</sup> Keith Stanovich, *The Robot's Rebellion: Finding Meaning in the Age of Darwin* (Chicago, IL: University of Chicago Press, 2004), pp. 3–30.

 $<sup>^{\</sup>rm 11}$  I would like to thank Matthew Adams for talking through some of these ideas with me.