

JOHN STUART MILL ON JUSTICE IN PROPERTY

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John Stuart Mill'de Adalet ve Mülkiyet

Özet

John Stuart Mill iktisadi düşünce tarihi içinde önemli yeri olan bir politik iktisatçı ve filozoftur. Etkili bir faydacı olmasının yanı sıra, *Politik İktisadın İlkeleri* politik iktisat alanında çeyrek yüzyıldan daha uzun bir süre hakimiyet kurmuştur. Faydacı bir filozof olarak, faydayı temel alan bir adalet anlayışının ahlakın en bağlayıcı ve kutsal parçası olduğuna ve uygun adalet ilkelerinin en iyi sonuçlara yönelen ilkeler olduğuna inanır. Aynı zamanda adalet bir bireyin yasal ve ahlaki hakkıdır. Eğer bu hak, bireyin kendi çabaları sonucu ortaya çıkmışsa ya da karşı taraftan adil bir anlaşma ile elde edilmişse, mülkiyet kurumunu oluşturur. Bu çalışmada Mill'in özel mülkiyet hakkındaki görüşleri, fayda ve adalet hakkındaki görüşleri ışığında ele alınmaktadır. Böylece, hem faydacı hem de sosyalizmden etkilenmiş bir klasik politik iktisatçı olan Mill'in adalet ve mülkiyet hakkındaki görüşleri biraraya getirilmiştir.

Anahtar Kelimeler: John Stuart Mill, adalet, fayda, mülkiyet, durağan evre.

Abstract

John Stuart Mill is one of the most influential philosophers and political economists within the history of economic thought. Besides being an avant-garde utilitarian, his *Principles of Political Economy* dominated the political economy domain for more than a quarter of a century. As a utilitarian, he believed that a concept of justice which is grounded in utility is the most sacred and binding part of morality, and that the proper principles of justice are those which tend to have the best consequences. Justice, at the same time, implies something that an individual can claim as his or her legal and moral right. If this right is an exclusive disposal by an individual of a product created by his or her own efforts, or of a good received by its producer by fair agreement, it constitutes the institution of property. In this paper, J.S. Mill's views regarding private property are elaborated in the light of his perceptions of utility and justice. This exploration will allow us to bring together the views on justice and property of a utilitarian on the one hand, and a classical economist influenced by socialism on the other.

Keywords: John Stuart Mill, justice, utility, property, stationary state.

John Stuart Mill on Justice in Property

John Stuart Mill “is now considered a mediocre economist of unusual literary power; a fluent, flabby echo of Ricardo” wrote Stigler in 1955. However, Stigler states, Mill wrote with extraordinary balance and he avoided all of the tactics of easy success. He was one of the most original economists of the history of economic thought. His original contributions, which received little emphasis, are peculiar, since any of Mill’s contributions “could be made independently of all the others.” Mill, Stigler notes by referring to Schumpeter, “unselfishly dedicated his abilities to the advancement of the science” (Stigler, 1955: 296-299).

John Stuart Mill is one of the most influential intellectual figures of the 19th century. He was an avant-garde utilitarian¹ who distilled the utilitarian views which existed before him; he was a radical liberal thinker who produced one of the most influential texts of classical liberalism; he was a classical economist who brought together already existing pieces of classical economics and his own original contributions in his *Principles of Political Economy*² which served as a textbook in the academic world for more than a quarter of a century; and at the same time, being influenced strongly by socialist views of his time, he sounded like a socialist (an argument which has been rejected by many economic historians) who believed in a blissful stationary state in which the individual could claim the fruits of his or her own industry.

1 According to Schumpeter he “cannot be called a utilitarian without qualification. In some respects he outgrew the creed; in others he refined it. But he never renounced it completely, and it was through his influence upon the rising generations in the 1850’s and 1860’s that a more sophisticated utilitarianism established itself in the intellectual centers, especially in Cambridge” (Schumpeter, 1994: 408).

2 Allthrough the second half of the 19th century, says Blaug, Mill’s “*Principles of Political Economy* (1848) was the undisputed bible of economists” (Blaug, 1985: 179).

Throughout his 67-year-long life, John Stuart Mill produced a considerable number of publications on different issues. It should here be stated that the culturally, politically, and economically rich and complex Victorian era also contributed to the variety of Mill's works. In this study, John Stuart Mill's views regarding private (individual) property are elaborated in the light of his precept of justice, with some reference as well to his perceptions regarding utility.

I. JUSTICE

Mill asserts that the concept of justice must include two specific elements, namely (1) a "rule of conduct" which is considered to be shared by all mankind and which has the goal of benefiting all mankind, and (2) a "sentiment" which "sanctions" that rule, that is, the sentiment includes the desire that any who violate the "rule of conduct" shall suffer punishment as a result (Mill, 1957:65). Mill presents various modes of action, which help us to elaborate the just or unjust character of private property as an institution, and arrangements of human affairs which are categorized by universal human opinion as just or unjust:

Firstly, it is considered unjust to "deprive anyone of his personal liberty, his property, or any other thing which belongs to him by law." Mill states that this is a case in which the use of the terms just and unjust are used in a completely concrete sense, such that "it is just to respect, unjust to violate, the legal rights of anyone." He, at the same time, notes that there are several exceptions admitted under this idea, such as if someone has already forfeited the rights which he is deprived of (Mill, 1957: 54).

Secondly, the legal rights he is deprived of may be rights which *ought* not to have belonged to him in the first place, i.e., the law which gave him these rights may have been a bad law to start with. When this is the case, opinion differs regarding the justice or injustice of infringing on these rights. Mill also notes that on the other hand, some people propose that no law, even if a bad one, should be disobeyed by any individual. Those who support this opinion, Mill asserts, defend it on the basis of expediency, mainly on the grounds of the importance of preserving the "sentiment of submission to law." Mill elaborates further that it is universally acknowledged that unjust laws may exist, and that therefore law cannot be the "ultimate criterion of justice," for it may provide a benefit to one person or inflict an evil on another, "which justice condemns." When a law is considered to be unjust, it is deemed to be so because it infringes on someone's right; since this therefore cannot be a legal right, Mill explains, it is called a moral right. Therefore, Mill determines that a second instance of

something considered unjust is depriving someone of things to which he has a moral right (Mill, 1957: 54-55; Lebacqz, 1986: 19).

Thirdly, Mill presents the universally accepted judgment that it is just for each person to obtain that which he deserves, and unjust for a person to either receive a good or be subjected to an evil which he is not deserving of. To Mill, this is perhaps the most forceful expression of the concept of justice. Mill simplifies this whole idea into a concept of just desert, such that a person deserves good if he does right acts and bad for wrong acts. As a fourth case of that which is universally considered to be unjust, Mill presents the concept of breaking faith as violating an “engagement,” whether implied or explicit, or to contravene expectations which one has knowingly and voluntarily brought about by his own actions (Mill, 1957: 55-56).

Fifthly, Mill asserts that it is universally acknowledged that to be partial or to give inappropriate preferential treatment or favor to any person over another, “in matters to which favour and preference do not properly apply,” is inconsistent with justice. Impartiality in giving to each person his rights is obligatory, Mill states, and further asserts that impartiality is an obligation of justice (Mill, 1957: 56-57).

As a sixth instance, Mill presents the notion that equality is a constituent part of the concept of justice, as well as the practice of justice, and that to many people equality is the essence of justice. In the case of equality more than any other component of justice, the conception of justice as regarding equality varies widely based on an individual’s idea of utility (Mill, 1957: 57); and utility, Mill states, “in the largest sense, grounded on the permanent interests of man as a progressive being” is the “ultimate appeal on all ethical questions” (Mill, 1985: 70). According to Mill, each individual holds true that “equality is the dictate of justice,” except in cases in which an individual considers that inequality is required by expediency.

Unlike Rawls who argues that “justice is the first virtue of social institutions,” Mill, in his approach to justice, focuses on action, not on systems or structures (Rawls, 1999: 3; Lebacqz, 1986: 21). In evaluating Mill’s approach to justice it is impossible not to notice the strength of subjectivity and the emphasis on terms such as expediency and utility. For instance, Mill believes that “persons with greater intelligence and education should have extra votes in order that their opinions may have a greater influence ... The judgment of the wiser and more knowledgeable should have a superior weight. Such an arrangement is in the interest of each and conforms to men’s sentiment of justice” (Rawls, 1999: 204).

A right of an individual is defined by Mill as that which society should defend and ensure his possession of, either through enforcement by law or through the influence of “education and opinion.” If he is considered to have adequate grounds to have something “guaranteed to him by society,” then it is his right, according to Mill. Mill further acknowledges that an individual has a right to what he can gain through “fair professional competition.” The reason why society should defend one’s rights is general utility. Henceforth, justice is grounded in utility (Lebacqz, 1986: 20; Mill, 1957: 66). From this point, Mill goes to another important factor related to his concept of justice, that of security. Security, that which Mill states no human can do without, is “to every one’s feelings the most vital of all interests” (Mill, 1957: 67).

On the other hand, according to utilitarian theory, if it is required by the greater good, individual rights may be disregarded or ignored. Accordingly, Mill states, “justice is a name for certain moral requirements which, regarded collectively, stand higher in the scale of social utility, and are therefore of more paramount obligation, than any others, though particular cases may occur in which some other social duty is so important as to overrule any one of the general maxims of justice” (Mill, 1957: 78).

II. SOCIALISM AND STATIONARY STATE

Mill’s treatment of private property and his affinity with socialist ideas have confused historians of economic thought.³ On the other hand, the evolution of his ideas with regard to socialism deeply influenced his approach to private property. In elaborating Mill’s views on private property, three types of private property should be taken into consideration: private property in consumption goods, private property in means of production (i.e., private property in capital goods), and private property on land.

Mill does not question justice in private property as an institution in its current existence, nor does he make an in-depth inquiry into its emergence or genesis and subsequent development; but he sheds light on the justice of the *actions* through which private property is acquired. Private property per se is not just or unjust, according to Mill. Exertion makes private property just; being

³ Mill, actually, confused economists in different ways. An explanation of this confusion is Mill’s own confusion. According to Dowd, Mill’s synthesis of classical political economy “was from its beginnings marked by analytical confusion and contradictions –occasioned not by lack of intelligence (of which he had an abundance) but by his inability to have his thoughts dominated by the ideology implicit or explicit in classical political economy” (Dowd, 2000: 41).

one's labors' fruit makes it just; acquisition through a fair contract makes it just; acquisition through fair professional competition makes it just; being a legal and moral right makes it just. Mill never says that private property is an unjust institution. According to him, "the institution of Property is upheld and commended principally as being the means by which labour and frugality are insured their reward, and mankind enabled to emerge from indigence" (Mill, 1967c: 713). In his debates with the Owenite members of the London Cooperative Society in the 1820's, Mill refuted the Owenites' slogan of "labour is the only source of wealth." He argued that along with labour, tools and materials supplied by the capitalists produced the national wealth. Therefore capital goods which were the fruits of the labor of the capitalists also deserve remuneration (Claeys, 1987: 125; Schwartz, 1972: 31).

After his mental crisis and after he met Harriet Taylor in 1830 (who later became his wife), Mill's attitude towards socialism and basic premises of classical political economics, such as private property, competition, and inheritance changed. His contact with the Saint Simonians at the end of the 1820's and early 1830's led him to reassess "the old political economy, which assumes private property and inheritance as indefeasible facts, and freedom of production and exchange as the *dernier mot* of social improvement" (Mill, 1989: 133).

On the other hand, Schwartz notes, "in Mill's opinion, the essential flaw which doomed Saint-Simonism from the start was the nature and extent of the powers vested in the central authority." Mill found the degree of centralization proposed by the Saint Simonians infeasible (Schwartz, 1972: 161). During the 1830s and 1840s Mill's views about cooperation changed gradually. Between 1834 and 1836, he first described cooperatives as a middle way between the existing system of property which created an unjust distribution, and the centralized system of the Saint Simonians. He believed that cooperation would reduce the harmful excesses of competition without eliminating its benefits (Claeys, 1987:128).

Before the publication of *Principles of Political Economy* in 1848, Mill's inclination towards socialism strengthened. Blaug states that Mill's treatment of socialist theory was extremely sympathetic, but Mill and socialists differed on the fundamental question: the source of "social ills experienced under capitalism." Mill did not blame private property but "the rampant individualism and inadequate safeguards against the abuse of property rights" for the social problems of his time (Blaug, 1985: 191). According to Schumpeter, socialism appealed to him emotionally; since Mill had "little taste for the society he lived in and plenty of sympathy with the labouring masses" (Schumpeter, 1994: 532). In his autobiography, published in 1873, Mill wrote:

“...I was a democrat, but not the least of a Socialist. We were now much less democrats than I had been, because so long as education continues to be so wretchedly imperfect, we dreaded the ignorance and especially selfishness and brutality of the mass: but our ideal of ultimate improvement went far beyond Democracy, and would class us decidedly under the general designation of Socialists. While we repudiated with the greatest energy that tyranny of society over the individual which most Socialistic systems are believed to involve, we yet looked forward to a time when society will no longer be divided into the idle and the industrious; when the rule that they who do not work shall not eat, will be applied not to paupers only, but impartially to all...” (Mill, 1989: 175).

He further elaborates this “ideal of ultimate improvement,” by which he states he could be classed as Socialist, to include a vision of a time in which the division or distribution of the products of labor is by agreement based on “an acknowledged principle of justice” rather than on “the accident of birth”; that the division of the fruits of labor is based not on birthright entitling some to a greater share, but instead on an agreed concept of justice. He envisions a time in which humans are able to work hard to attain goods and benefits that do not belong only to themselves, “which are not to be exclusively their own,” but which will be shared with the larger society of which each individual is a part. Mill further states that “the social problem of the future,” as he conceives it, is the question of how to accomplish and merge three goals simultaneously: to achieve a common, shared ownership of the world’s raw materials; to provide an equal share to all individuals of the benefits produced by the combined labor of all; and to manage to preserve the personal freedom of action of each individual, while at the same time uniting these individual free actions in the accomplishment of these goals, which it can be said, are for the common good of all (Mill, 1989: 175).

Although he was more sympathetic to socialist ideas by the time of the first edition of the *Principles of Political Economy*, he discussed the difficulties of socialism quite strongly in its first edition. In this first edition, he criticized communism as a system of society in which it is hardly possible for an individual to improve his conditions through his own exertions (Ellis, 1906: 242). However, Mill states, he spent more time in evaluating the “best Socialistic writers on the Continent” and to discuss the controversial issues. The result, Mill says, “was that most of what had been written on the subject in the first edition was cancelled, and replaced by arguments and reflexions which represent a more advanced opinion” (Mill, 1989: 177). In the second edition,

for instance, Mill states that he honours the intentions of socialists (Ellis, 1906: 242). Before he died, Mill aimed to make a thorough and impartial evaluation of socialism, however he was not able to finish it. After his death, four chapters of this work were published, with an explanatory note by his step-daughter Helen Taylor, in the *Forthnightly Review* in 1879.

In the *Chapters on Socialism*, Mill presents “Socialist Objections to the Present Society,” his examinations of these objections, and the difficulties of socialism. Considering his previous publications and his views in *Chapters on Socialism*, it is difficult to determine whether John Stuart Mill can be labeled a socialist thinker. Schumpeter calls him an “evolutionary socialist.” Mill’s attitude toward socialism, according to Schumpeter, “went through a steady development, the traces of which are but perfectly discernible in the successive editions of the *Principles*” (Schumpeter, 1994: 531). Schwartz, on the other hand, strongly rejects that Mill ever was a socialist in his work, *The New Political Economy of J. S. Mill*. According to Schwartz there is no doubt that Mill was a liberal; he consistently believed in the relative efficiency of competition, and he feared that a socialist system would limit individual liberty. However, Schwartz admits that Mill was not content with the social organization of his time; and he was very much in favor of reforming the competitive system (Schwartz, 1972: 154, 192). There is a consensus among historians of economic thought that Mill was against revolutionary state socialism. It is not difficult to see this point in the writings of Mill. The debated issue is his being a Fabian,⁴ or an evolutionary, or non-communist, or a cooperative socialist. According to Sarvasy, Mill shifted from liberal-capitalism to socialism; but his socialism was not a result of a theory of exploitation. He did not consider the wage-labor relationship to be inherently unjust; however, he considered abandoning private ownership of the means of production and wage-labor relations to materialize social improvement. Socialism became an adequate alternative for Mill, Sarvasy notes, because wage-labor capitalism blocked the attainment of the goal of social improvement (Sarvasy, 1984: 570; 1985: 314, 327, 330).

Medearis defends Mill’s development towards socialism from a different point of view. He asserts that until the 1860’s Mill emphasized the labor justification of private property, which means that everybody has a right to the

4 Screpanti and Zamagni believe that Mill fought, in his own way against the socialism of his time, however “there is certainly a good reason why Mill has been considered as one of the fathers of Fabian, or rather *cunctator* socialism” (Screpanti/Zamagni, 2005: 115,121)

disposal of what he has produced by his own exertions. However, Medearis expresses that late in life Mill discarded the labor justification and put more weight on the common good, or general utility, as the standard of the institution of property. This difference in Mill's approach to property signals his advancement towards socialism (Medearis, 2005: 135, 147).

On the issue of Mill's socialism, Davis agrees with Schwartz and maintains that Mill rejected socialism on several grounds such as the greater efficiency of competition and fears of losing individual liberty. According to Davis, Mill called himself a socialist because he probably wished "to cast his lot with those who were actively seeking ways to bring about a better society and because he wanted to keep the door open to those who searched for better means to this end" (Davis, 1985: 355). The list and arguments of writers, historians, and economists supporting Mill's being socialist or liberal-capitalist can be enlarged. However, exploring whether Mill was ever a socialist or not is not the primary subject of this study; but it is closely related to its object, since his attitude towards socialism defines his views on private property and on justice in property. Regarding his attitude toward socialism, the most illustrative material is provided by Mill himself, although this same material has been understood or interpreted differently by many.

John Stuart Mill was quite discontent with the existing social situation. He asserts, "the very idea of distributive justice, or of any proportionality between success and merit, or between success and exertion, is in the present state of society so manifestly chimerical as to be relegated to the regions of romance...The most powerful of all the determining circumstances is birth. The great majority are what they were born to be. Some are born rich without work, others are born to a position in which they can become rich by work, the majority are born to hard work and poverty throughout life, numbers to indigence" (Mill, 1967c: 714). However, Mill says that, "the present system is not, as many socialists believe, hurrying us into a state of general indigence and slavery from which only Socialism can save us. The evils and injustices suffered under the present system are great, but they are not increasing; on the contrary, the general tendency is towards their slow diminution" (Mill, 1967c: 736).

He criticizes socialists for having an imperfect and "one-sided notion of the operation of competition." Socialists, he says, see half of competition's effects and ignore the other half. They do not notice that competition is not only responsible for high prices but also for low prices. The buyers of labor compete with each other and this competition prevents wages from being lower. He emphasizes the incentive problem which may appear under a socialist system and he strongly rejects the idea of a centrally commanded economic

system. He argues that if the revolutionary socialists “actually had the whole property of the country at their disposal, they would find no other practicable mode of exercising their power over it than that of dividing it into portions, each to be made over to the administration of a small Socialist community.” In order for communism to be successful, according to Mill, it “requires a high standard of both moral and intellectual education in all the members of the community” (Mill, 1967c: 742, 746, 748).

It cannot be argued that Mill completely rejected socialism or communism as systems that can manage the productive powers of society. After reviewing the various difficulties of socialism he concludes that “the various schemes for managing the productive resources of the country by public instead of private agency have a case for trial, and some of them may eventually establish their claims to preference over the existing order of things, but that they are at present workable only by the *élite* of mankind, and have yet to prove their power of training mankind at large to the state of improvement which they pre-suppose” (Mill, 1967c: 748).

Certainly, Mill is not against cooperatives. In his *Principles*, in the chapter “On the Probable Futurity of the Labouring Classes” he states, “under the most favourable supposition, it will be desirable, and perhaps for a considerable length of time, that individual capitalists, associating their workpeople in the profits, should coexist with even those co-operative societies which are faithful to the co-operative principle” (Mill, 2004: 723).

When cooperative societies shall have sufficiently multiplied, states Mill,

“it is not probable that any but the least valuable workpeople will any longer consent to work all their lives for wages merely: and both private capitalists and associations will gradually find it necessary to make the entire body of laborers participants in profits. Eventually, and in perhaps a less remote future than may be supposed, we may, through the co-operative principle, see our way to a change in society, which would combine the freedom and independence of the individual, with the moral, intellectual, and economical advantages of aggregate production; and which, without violence and spoliation, or even any sudden disturbance of existing habits and expectations, the best aspirations of the democratic spirit, by putting an end to the division of society into the industrious and the idle, and effacing all social distinctions but those fairly earned by personal services and exertions” (Mill, 2004: 723-724).

As the number of co-operative associations increase, they will absorb more and more work-people. Along with this change in society, Mill believes, owners of capital will prefer to lend their capital to the associations instead of struggling to maintain the old system. They may even exchange their capital for a fixed annuity. This way, the existing capital may become the joint property of all who participate in the production process; and as a result there will be a transformation which corresponds to the “nearest approach to social justice, and the most beneficial ordering of industrial affairs for the universal good” (Mill, 2004: 724).

This transformation or this new order is Mill’s utopia,⁵ namely the stationary state. The increase of wealth resulting from capitalist accumulation will bring about the stationary state. As a result of increasing wealth, the remuneration for abstinence will gradually decline and after a certain point there will be no incentive towards further capital accumulation (Screpanti/Zamagni, 2005: 121). The leading features of the stationary state will be “a well-paid and affluent body of labourers; no enormous fortunes, except what were earned and accumulated during a single lifetime; but a much larger body of persons than at present, not only exempt from the coarser toils, but with sufficient leisure, both physical and mental, from mechanical details, to cultivate freely the graces of life, and afford examples of them to the classes less favourably circumstanced for their growth.” It is, Mill states, “scarcely necessary to remark that a stationary condition of capital and population implies no stationary state of human improvement. There would be as much scope as ever for all kinds of mental culture, and moral and social progress; as much room for improving the Art of Living, and much more likelihood of its being improved, when minds ceased to be engrossed by the art of getting on” (Mill, 2004: 691, 692).

III. PROPERTY

One of the most frequently committed mistakes, according to Mill, is assuming that the same name always represents the same group of ideas. He asserts that the word property had been subject to this kind of misunderstanding more than any other word. “It denotes, in every state of society, the largest power of exclusive use or exclusive control over things (and sometimes, unfortunately, over persons) which the law accords, or which

⁵ Mill does not present the stationary state as a utopia. According to Mill, it was possible at that time to foresee such a transformation (Mill, 2004: 724).

custom in that state of society recognizes; but these powers of exclusive use and control are very various and differ greatly in different countries and in different states of society” (Mill, 1967c: 750).

The institution of private (or individual) property, Mill states, “when limited to its essential elements, consists in the recognition, in each person, of a right to the exclusive disposal of what he or she have produced by their own exertions, or received either by gift or by fair agreement, without force or fraud, from those who produced it” (Mill, 2004: 224). This definition tells us that, according to Mill, private property is one’s right to the produce of his or her own industry or labor. Additionally, any good received from its producer by gift or by fair agreement also bears the satisfactory conditions to be considered private property. Therefore, there is nothing unjust in the possession of a good, as long as there is nothing illegal or immoral in the process of its acquisition. Thus “the right of property includes... the freedom of acquiring it by contract” (Mill, 2004: 225).

John Stuart Mill asserts that the primary and fundamental institution which formed the basis of the economical arrangements of society was the institution of individual property. In his well-known distinction between the laws of production and the laws of distribution he states that although the laws of production of wealth are administered by physical truths, the distribution of wealth is “a matter of human institution solely” (Mill, 2004: 209-211). In 19th century Europe, the distribution of wealth was determined by conquest and violence. “Just partition” or “acquisition by industry” were not the sources of property. The laws of property were not guided by the principles that established the justification of private property. Things that should have never been private property were transformed into private property.⁶ Inequalities among people were nurtured deliberately and impediments upon some people were constructed to give advantage to others. The tendency of legislation had been to favor the concentration of wealth. The problems did not stem from the institution of property, “but rather from the fact that legislators have failed to do what could be done consistent with this institution to ameliorate the inequalities that it produces by its very nature” (Miller, 2003: 218). As a result of this failure, the institution of private property was associated with the “physical and social evils” by socialist writers. Therefore, according to Mill, the institution of private property did not possess a built-in malignity. He states, “private property, in every defence made of it, is supposed to mean, the guarantee to individuals, of the fruits of their own labour and abstinence. The

⁶ At the head of them, Mill notes, is property in human beings (Mill, 2004: 240).

guarantee to them of the fruits of the labour and abstinence of others, transmitted to them without any merit or exertion of their own, is not of the essence of the institution, but a mere incidental consequence, which when it reaches a certain height, does not promote, but conflicts with the ends which render private property legitimate” (Mill, 2004: 217-218).

In order to analyze justice in Mill’s perception of private property, it will be useful to make a distinction between different types of property. Mill distinguishes between three types of private property: private property in consumption goods, private property in means of production (i.e. capital goods), and private property on land. He focuses his discussion on the latter two types. As long as articles of consumption are the fruits of one’s own labour, or they are acquired by fair agreement, there is nothing controversial in them, to Mill. He states that even in a socialist system the individual has the right to enjoy, give, or exchange his share of the produce (Mill, 1967c: 738).

However, private ownership of the means of production and especially of land may be disputable. Mill acknowledges that the materials and machinery used in production (i.e. capital goods) are the outcomes of previous labor. If the laborers possessed them, they would not have to share the yield; however, since they do not, they must give the share of the owners of capital goods to them. He admits that capital goods, in most cases, are not the products of the labor of the present owner; but they were transferred to the present capitalist by gift or by voluntary contract. Furthermore, he notes that the existence of capital goods is in the favor of laborers (Mill, 2004: 225).

Although Mill recognizes the legitimacy of private property in means of production, he believed that it was a barrier to the extension of equality and that property should be restructured for the common good (Medearis, 2005: 144,146). Mill does not object to ownership of means of production when they are saved or accumulated during a capitalist’s lifetime; however, he has objections to the right of inheritance. Mill believes that the right of bequest forms part of the idea of private property, nevertheless the right of inheritance does not (Mill, 2004: 226-227). He argues that “the inequalities of property which arise from unequal industry, frugality, perseverance, talents, and to a certain extent even opportunities, are inseparable from the principle of private property, and if we accept the principle, we must bear with these consequences of it: but I see nothing objectionable in fixing a limit to what any one may acquire by the mere favour of others, without any exercise of his faculties, and in requiring that if he desires any further accession of fortune, he shall work for it” (Mill, 2004: 232-233). The existence of inheritance causes an uneven accumulation of wealth (unequal distribution of private property) and this

uneven accumulation is a major source of injustice (Hughes, 1979:536; Archibald, 1992: 70).

Schumpeter notes that Mill recommends “(a) that freedom of bequest be the general rule, except for a modest compulsory provision for descendants and for a provision to the effect that no person should be ‘permitted to acquire by inheritance more than the amount of a moderate independence’; and (b) that ‘in the case of intestacy, the whole property escheat to the state,’ also with a proviso in favor of ‘just and reasonable’ provision for descendants” (Schumpeter, 1994: 547). Ekelund and Tollison justify Mill’s proposition of limiting the right of inheritance by stating that Mill aimed to balance severe inequalities of wealth and to promote a situation in which “all start fair” (Ekelund/Tollison, 1976: 218). Mill believes that “no tax is in itself absolutely just; the justice or injustice of taxes can only be comparative” (Mill, 1967b: 701). Besides restricting the right of inheritance, Mill advocated taxation as a way to redistribute wealth and so advance equality. He believed that “inheritances and legacies, exceeding a certain amount, are highly proper subjects for taxation” (Mill, 2004:739). A progressive inheritance tax would diffuse property, so he was in favor of a steeply progressive inheritance tax. This tax would allow the transfer of a “modest competence” but it “would destroy all great fortunes in a couple of generations” (Gray, 1979; Dome, 2004: 189).

On the issue of private property in land, Mill is quite strict. He states “the essential principle of property being to assure to all persons what they have produced by their labour and accumulated by their abstinence, this principle cannot apply to what is not the produce of labour, the raw material of the earth.” According to Mill, “if the land derived its productive power wholly from nature, and not at all from industry, or if there were any means of discriminating what is derived from each source, it not only would not be necessary, but it would be the height of injustice, to let the gift of nature be engrossed by individuals.” Mill argues that land was not produced by man; and “it is the original inheritance of the whole species. Its appropriation is wholly a question of general expediency. When private property in land is not expedient, it is unjust.” If the landowner is improving his land, private property can be justified; but still, Mill believes the person who ploughs the land must reap, and the land should be occupied for one season, or it should be periodically re-divided, or the state should own it (Mill, 2004: 234, 236, 237).

Mill supported a gradual land nationalization (Mill, 1967a: 691-692). Land nationalization does not contradict Mill’s idea of private property which is the produce of labor (Sarvasy, 1985: 324). “When land is not intended to be cultivated, no good reason can in general be given for its being private

property at all,” says Mill (2004: 239). However, if the holder of the land undertakes improvements such as clearing, fertilizing, making buildings and fences, he should have a sufficient period of time during which he can profit by these improvements. This period of time can cover “perhaps over all future time” (Mill, 2004: 235).

Although Mill never condemned the institution of private property nor did he defend its abolition, he did not ignore the injustice that it bears. He perceived property in consumption and production goods as a legal and moral right so long as they are one’s own labor’s fruits and they are acquired through fair agreement, although he proposed limiting large amounts of inheritance. He did not approve of land ownership; he favored gradual nationalization of land, and he found land ownership unjust if it is not expedient.

Mill’s solution for the injustice that private property bears was his solution for all of the injustices of his time, namely the stationary state which was briefly explained in the previous section. In the stationary state, the problem of equality in the distribution of wealth would be solved, bringing about distributive justice. To put it differently, “the stationary state was a blissful, pastoral existence in which justice in the distribution of income and wealth ranked above relentless accumulation” (Canterbury, 2003: 142). Levy defines the stationary state as Mill’s *deus ex machina*, “a final device resolving irresolvable conflicts, thereby leaving intact faith in an underlying just order” (Levy, 1981: 292).

IV. CONCLUSION

Mill’s approach to justice focuses on expediency and utility. Therefore, Mill’s perception of justice in private property needs to be evaluated within this framework. The question was “is the institution of private property just.” It is hardly possible to provide an exact answer which covers all the property types Mill had in mind. Mill states, “The idea of property is not some one thing, identical throughout history and incapable of alteration, but is variable like all other creations of the human mind” (Mill, 1967c: 753). Therefore, we should consider justice in private property as it existed in 19th century England. Mill saw both justices and injustices in the institution of private property of his time. Labor, for Mill, was the primary factor which justified private property. If the property was the result of exertion, if it was the outcome of someone’s own labor, it was just without any question. This was the case for property in both consumption and production goods. Acquisition through fair agreement (without any force or fraud) also rendered property just. Inheritance is an

exception since it could bring about injustice by causing over-accumulation of capital, henceforth inequality in the distribution of wealth.

Mill seems to consider private property in land to be the most unjust, unless the holder of the land deserves it by virtue of improving it. Land was never a product of labor. No one can make or accumulate land by labor or abstinence. The products of land are the legal and moral rights of the people working on that land, but land itself is the inheritance, and thus the birthright of all species. Whoever owns the land prevents others from enjoying it. According to Mill, any exclusive right to land is a privilege, and this privilege “is only defensible as a necessary evil; it becomes an injustice when carried out to any point to which the compensating good does not follow it” (Mill, 2004: 239). To put it differently, private property in land is unjust when it is not expedient.

Mill believed that for a long time to come the chief concern of the economist would be the conditions of existence and progress of societies founded on private property and individual competition; and he stated that the principle object in that stage of human improvement had to be the advancement of the institution of private property in such a way that, rather than debasing it, every member of the community can benefit from it (Mill, 2004: 224).

Finally, although Mill seemed certain of the fact that the institution of private property has a long period of existence ahead of it, he did not presume that it will remain unchanged. According to Schumpeter, Mill maintained that capitalist institutions should and would be changed to correct their defects (Schumpeter, 1994: 544). Mill states that “it is both the duty and the interest of those who derive the most direct benefit from the laws of property to give impartial consideration to all proposals for rendering those laws in any way less onerous to the majority” (Mill, 1967c: 750).

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