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Justifications of Forced Labour and Income Tax

In *Anarchy, State, and Utopia*, Robert Nozick famously claimed that income tax is equivalent to forced labour. Therefore, Nozick concludes, income tax is wrong. There are two approaches that would be useful in disputing this conclusion. I could argue either against Nozick's definition of forced labour or I could disagree with his implicit assumption that all forced labour is bad. I intend to do the latter, though this in turn may show that Nozick's definition of forced labour is not as sound as it appears. First, I will define the important terms and examine why the claim is *prima facie* compelling. This examination will show that income tax should be included under Nozick's definition of forced labour. However, his final conclusion, that income tax is wrong, is only compelling due to intuitions that come from a much narrower definition of forced labour than he uses. From there, I will determine if there are situations which fit Nozick's definition of forced labour and are morally permissible. I will find that if forced labour does not greatly infringe on the autonomy of action of an individual and the benefit of the labour goes to maintaining what the individual is labouring for, then it is acceptable. Finally, I will show that income tax fits these conditions and is therefore acceptable forced labour.

I.

Much of the power of Nozick's claim comes from our intuitions about forced labour. As such, consider whether you *intuitively* (not rationally) believe the following statements to be true or false:

0. Forced labour is performed by choice
1. Forced labour is good
2. Someone performing forced labour is captive

I present these statements first so that your intuitions will be clear and strong, but I will return to them later. Now, I will present Nozick's definition of forced labour and a common definition of income tax, though I will not provide justification for Nozick's definition until later. I will show that these definitions demonstrate that income tax is forced labour, but I will return to Nozick's justification to see if it is sufficient to conclude that income tax is wrong. Income tax can generally be defined as when the state takes a portion of an individual's income (money that has been earned by an individual). This means that if you want to earn a certain amount of income, you must earn an extra amount that is taken in the form of tax and used for the states purposes. Nozick defines forced labour as labour that must be performed to achieve something that would be available freely if a threat of force was not present (Nozick, 1974, pg. 169, last sentence) . Income tax seems to clearly be forced labour as the states authority comes, at least in part, from the threat of force. If you want \$100, you must earn \$100 + tax. You must labour more than you would if there was no threat of force. Yet, while these definitions show income tax is forced labour, it does not show that forced labour, or income tax, is wrong.

If you are like most people, you felt that the statements I showed you above were, respectively, *false*, *false*, and *true*. While you probably revised your answers after thinking about them, your initial intuition about each of the statements represents the prototype you have of forced labour. It is probably something that involves individuals who are performing strenuous labour under constant threat of physical violence, such as slavery. When you are asked questions about forced labour you use this prototype to answer the questions (this is called an availability heuristic) (Kahneman, 2011). Importantly, this

prototype is what guides your view about anything that falls under the definition of forced labour. As such, once income tax is classified as forced labour, you want to consider it to be morally equivalent to your prototype of forced labour. Nozick accepts this and concludes that income tax is bad, but for most people this equivalence is unsettling. Intuitively it is clear that income tax fits into the broad category of forced labour, but not the narrow one that guides our intuitions. While the narrow category of forced labour is obviously wrong, the general moral permissibility of forced labour under Nozick's definition is unclear. I will now look at how Nozick arrived at his definition of forced labour to determine if there are cases where it is permissible.

II.

Nozick presents two individuals for his justification (Nozick, 1974, pg. 169). One enjoys spending time outdoors. After working enough to maintain a basic standard of living, this person spends time freely enjoying nature. The second individual enjoys going to the cinema. To go see movies, they must labour past what is necessary to maintain a basic standard of living so that they can earn an income and buy movie tickets. Nozick states that since we find it manifestly wrong to force the first individual to labour when they would normally be enjoying their leisure, it is then wrong to force the second individual to work extra to pay income tax just because their leisure activity necessitates income. As I noted earlier, much of the power of Nozick's argument rests on the unsubstantiated claim that forced labour is always wrong. I will present four hypothetical situations, based on a person enjoying nature, that I hope will illuminate the salient moral features of forced labour.

Consider individuals B, D, E, and F. Each of them lives near a beach, and all four want to spend time on their beach. It is the only leisure activity they desire. All of the beaches are public institutions and have previously been completely free to use. However, all four have introduced new rules. At B's beach, visitors must spend a percentage of their time at the beach helping clean. At D's beach, visitors can either spend a percentage of their time at the beach helping clean or pay a proportional fee. At E's beach, visitors must pay a fee proportional to the time they spend. At F's beach, visitors must help clean a highway. All four beaches have volunteers who will forcefully eject people that have not followed the rules.

Under Nozick's definition, all four of these beaches are employing forced labour. However, I think all but F's situation would be considered acceptable. The reason that the rules of F's beach are not acceptable is because cleaning the highway has nothing to do with enjoying the beach. All of the other three beaches require labour specifically directed to maintain the beaches by individuals who are there to enjoy the beaches, and this is acceptable. At F's, on the other hand, the labour is unrelated to the goal of the labourer and this strikes us as morally impermissible (for a public institution). Therefore, forced labour must help maintain the goal of the labourer to be acceptable.

Now, consider the forced labour at the other three beaches. All of them seem acceptable, but certain beaches are preferable. In particular, D's situation seems to be noticeably better than that of B or E, whose situations seem to be roughly equivalent. All of them are permissible because the forced labour goes towards maintaining the beaches, but D has noticeably more autonomy in fulfilling the parameters of the forced labour. D can either work at the beach for a

time, or earn extra money to pay the fee. B and E can only either clean or work, respectively. For them to enjoy the beach, their autonomy is restricted significantly more than D's. Importantly, we favour forced labour that allows more autonomy, and so we favour D's situation.

Let us return to Nozick's claim that it would be wrong to force the individual who enjoys nature to labour for a portion of the time. It becomes clear that this intuition comes from a situation akin to that of F. If instead we specified Nozick's individual must help clean up the nature to be enjoyed, we would find it acceptable. When forced labour is to maintain the goal of the labourer it is acceptable, particularly when it maintains as much autonomy of action for the labourer as possible. Yet, this does not mean income tax is an acceptable form of forced labour. To show that, I will need to examine income tax.

III.

Income is a given in the form of money, and income tax is paid in money (Income, Def 1). Money is not valued for its physical properties. Rather, society assigns it value relative to all goods that can be exchanged (Money, Def 1). A monetary system allows a society to operate on a large scale, but the money is only valuable because of the existence of society. In the earlier examples, the beach needed be clean for them to be used. For money to be useful, society must function. Now, we can assume that, in general, labour that results in income is performed for the purpose of obtaining that income. People work so that they have money to spend. However, money can only be spent when society functions. As such, an income tax is justified if the money is spent on maintaining society. The income tax requires forced labour, which is the extra amount of labour an

individual must perform to reach the desired income as well as pay the tax. This extra labour, in the form of money, goes to maintaining what the labourer hopes to obtain, money, by supporting the social system necessary for money to have value. Moreover, an income tax is among the lightest restrictions on autonomy due to forced labour possible, as an individual can perform any activity valued by the economy to fulfil the tax. If they only desire to perform activities with non-economic value they would not have to pay the tax, so it would be a non-issue. Income tax is forced labour, but it is morally permissible forced labour.

There are two objections that I will briefly examine. The first is that money does not necessarily need a social system to function. I think that you will find in the definition of money, that of a socially valued good, the appropriate response. Without an organised social system, only goods of physical value can have worth. In such a system I find it much more difficult to see an argument for an income tax, but also little argument for its necessity. Second, one might object to the need to use money to maintain a social system. However, even Nozick (1974) agrees a stable society must have a security apparatus, and that it costs money. That in and of itself would justify an income tax, though I believe many other methods of maintaining order would as well.

IV.

In this paper I examined Nozick's claim that income tax is equivalent to forced labour and is therefore bad. I accepted the claim of equivalence but dismissed the conclusion of malaise as one of misguided intuition. I showed we believe forced labour is morally permissible when it is to maintain that for which the labourer labours. Finally, I showed that an income tax is justifiable because it

maintains society, which in turn is necessary for money to function. I have argued that some forms of forced labour are acceptable. However, if we instead agreed that forced labour is never acceptable, then the beach scenarios I mentioned cannot be forced labour. The conclusion then is that the definition of forced labour must be wrong. I am sceptical that a new definition of forced labour would include income tax. As such we either accept that income tax is forced labour, but that forced labour is a category with little moral weight, or forced labour has strong moral implications but that it does not include income tax.

References

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