

### *Fichte's Political Economy*

1. Three Theses:
  - a. Fichte's political economy is a re-interpretation of the classical social contract in terms of socialist economic planning. In this and other respects, his view can be fruitfully understood as a bridge between 18<sup>th</sup> century liberalism and 19<sup>th</sup> century socialism.
  - b. Once we understand Fichte's idea of guaranteed property rights in activities, we also will be able to understand why he rejects the market in favor of a planned economy.
  - c. GHS defends a complex egalitarian account of distributive justice.
2. Background:
  - a. Fichte is an actual-consent contractualist about political obligation.
  - b. In Fichte's theory, people consent to a mutually-agreed economic plan for a non-market command economy that is supposed to guarantee to each citizen both a specific productive niche in the economy, and a specific standard of living.
3. Fichte's Property Contract
  - a. The principle of right is *reciprocal recognition*. In the generic Fichtean relation of right, each agent freely and expressly limits the exercise of its own agency to make room for the agency of the other.
  - b. Fichte writes, "Each person must expressly declare his occupation, and thus no one becomes a citizen *in general*, but each enters into a certain class of citizens at the same time that he enters into the state" (GNR III, 214; see also GNR III, 196).
  - c. Thus: the negotiation of fair terms of association in classical contractualism becomes the negotiation of a plan for economic activity.
4. Both Fichtean property and classical liberty property recognize that the property bundle consists of activities and objects. But the priority relations between these two elements differs.
  - a. The three conceptual planks of classical liberal property<sup>1</sup>:
    - i. the *object of ownership* is in the first instance an "*external thing*";
    - ii. the *relation between owner and object* is one of *arbitrary control*; and
    - iii. the *relation between owner and other persons* is one of *non-interference*.
  - b. Fichte rejects all three of these planks.
    - i. In place of (1) he proposes an activity-first conception of property: rights to control objects are defined in terms of a prior right to activities.
    - ii. In place of (2) Fichte holds that rightful use of objects is not arbitrary, but determined teleologically in light of rights to productive activities.
      1. **Conditions:** for persons B, C, etc., to guarantee A's right to  $\phi$  requires B, C, etc. to guarantee any necessary conditions for A's  $\phi$ 'ing that it is in B, C, etc.'s power to guarantee.
      2. Given Conditions, it follows that the civil contract must guarantee to individuals the use of the objects necessary for them to carry out the productive activities that are their property rights.
    - iii. In place of (3), Fichte argues for a republican (non-domination) account of guaranteed property rights.
    - iv. But to make the required economic guarantees, the economy must be planned.
      1. The social division of labor must be "calculated" in advance, given current levels of productivity in different sectors, and rationally planned.

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<sup>1</sup> See: Sir William Blackstone, *Commentaries on the Laws of England* 11<sup>th</sup> ed., London, 1791, Vol. II, p. 2. I owe the Blackstone reference to Thomas C. Grey, "The Disintegration of Property," *Nomos*, Vol. 22, 1980, pp. 69-83, at 73.

2. Production targets for agricultural, manufacturing, and commercial sectors are to be established on the basis of this calculation.
  3. And a system of mandatory transfers between sectors must be agreed upon in advance
5. Fichte on distributive justice
  - a. “The purpose of all human activity is to be able to live. All those whom nature has put to life have the same rightful claim to this possibility of life. Therefore, the division must first of all allow everyone to exist...

Everyone wishes to live as pleasantly as is possible. Since everyone demands this as a human being, and no one is more or less human than anyone else, everyone has an equal right in [making] this demand. In accordance with this equality of their rights, the division must be made in such a way that one and all can live as pleasantly as is possible when so many men as they are exist next to one another in the given sphere of efficacy. Each, in other words, must be able to live about as pleasantly as the other. I say: be able to, and not have to. Should someone live less pleasantly than he is able, the reason for this must lie with him alone and not with anyone else.” (*GHS* III: 402)
  - b. Two distributive norms: Sufficiency and Equality
    - i. Objection: why should the Egalitarian principle be restricted to regulating the production and distribution of only luxury goods?
    - ii. “...the intrinsic essential state of prosperity consists in being able to procure for oneself the most truly human pleasures with the least difficult and time-consuming labor. This should be the state of prosperity of the *nation* as a whole and not only of a few individuals...It should be spread out in more or less the same degree among all” (*GHS* III, 423).