

EVALUATING LIBERTARIAN MORALISM AS A SOLUTION TO GLOBAL POVERTY

**Are “Nudges” Manipulative?**

*Evaluating Libertarian Moralism as a Solution to Global Poverty*

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## Section 1: The Moral Question

### 1.1 Should We Give More?

In *Famine, Affluence, and Morality* (“*Famine*”), Peter Singer argues that if you are not giving to the world’s poorest, then you are acting immorally. Singer defends his conclusion through the following thought experiment. He asks you to imagine that, while walking past a shallow pond, you notice a child drowning in it. There is no one else who could save the child, and, unless you “wade in and pull him out, he seems likely to drown” (Singer, 2009, 1). However, saving the child would “ruin the new shoes you bought only a few days ago, and get your suit wet and muddy” (Singer, 2009, 1). Now, Singer concludes that it is certain that you ought, morally, to save the child, even if it would mean ruining your new pair of shoes as that consequence would be “insignificant, while the death of the child would presumably be a very bad thing” (Singer, 1972, 231).

In the same vein, Singer asserts there is no moral difference between saving the drowning child and the child who dies from hunger, or from a lack of shelter or medical care in a developing nation. This is because both can be saved by sacrificing something of lesser moral importance – in each case, a new expensive pair of shoes is a luxury item that is less morally important. Therefore, he concludes that we have a moral obligation to prevent suffering and death happening around the world whenever possible, if by doing so we do not make our lives as bad as the ones we wanted to save.

Suppose we grant that Singer’s argument is *morally* correct, and that people do in fact have a moral obligation to aid the distant poor. What shall we do then about

the fact that the poor still suffer from needs that we (speaking collectively of the rich) could fill but don't? The UN estimates that nearly 1/2 of the world's population lives on less than \$2.50 a day, and more than 1.3 billion live in extreme poverty (less than \$1.25 a day)<sup>1</sup>. In light of the powerful thesis that Singer develops, it's plausible that our moral obligations demand we give considerably more than what the average person gives currently. Granting this, a natural question is how should we go about trying to get people to do the right thing?

In what follows, I will investigate two opposing responses to the question I posed above, and then propose a third solution as a middle ground between the two previous views. The first response employs the coercive apparatus of the state to enforce and legislate charitable giving. This sort of response is offered by Thomas Piketty's in his *Capital in the Twenty-First Century* ("Capital"). While Piketty's solution of a global tax regime to bridge extreme wealth inequality is effective, I argue that its main shortcoming is that such a response comes at the cost of curbing liberty. By contrast, I also consider a political view that Singer offers in his *The Life You Can Save*, one which aims to persuade rather than force people to give. While rational persuasion preserves liberty, I argue that it may be not be effective enough to solve a problem as substantial as global poverty.

The most salient difference between the two views is that the former is a liberty-squashing approach while the latter is a liberty-preserving approach. Upon evaluating the two responses, I will sketch out a third view, what is sometimes called Libertarian Paternalism ("LP"). LP as a prospective solution incorporates

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<sup>1</sup> Source: UN Development Program, 2015.

portions of both the Piketty-type and the Singer-type solutions for global poverty, yet compensates for their shortfalls. The adaptation of Libertarian Paternalism to this particular end, a view which I dub *Libertarian Moralism* (“LM”), allows the state to influence our choices and push us towards satisfying our moral demands yet preserves our liberty. While such a solution allows the government to structure our choices, it differs from Piketty’s solution in that it prevents the government from strictly mandating our choices. My thesis is that LM (i) carries the potential of being the powerful enough solution to solve global poverty while still preserving our liberty, and (ii) is not normatively objectionable.

In the final section I anticipate some critiques of LM. One is that such a policy is overly paternalistic and its libertarian credentials are questionable. Another is that LM subverts our autonomy through manipulation. I offer three arguments in defense of LM.

## Section 2: Potential Solutions

### 2.1 State-Enforced Giving

In *Capital*, Piketty takes us through more than a century of historical changes in concentration of wealth and income. Through this task, he demonstrates that the rate of return for capitalists (“ $r$ ”) is greater than the rate of growth of the economy (“ $g$ ”). Although the World Wars and the Great Depression disrupted capitalism’s pattern of extreme wealth inequality as they brought with them high taxes, inflation, and bankruptcies, Piketty argues that those effects are now fading and extreme inequality is bound to reassert itself. If left unregulated, he deduces

that we will face an “endless inegalitarian spiral” (Piketty, 515). Hence, Piketty advocates for a strict global progressive taxation scheme to mitigate such an event from occurring. As he believes that significant wealth inequality will lead to poverty for the majority of people over time, he proposes external state intervention to escape this otherwise impending issue. Furthermore, he indicates that this response may be the only effective one since there are no natural forces opposing the ever-increasing concentration of wealth, and the chances of a rapid increase in economic growth,  $g$ , as a result of a burst in technological progress or a sudden rise in population are unlikely. In addition, he claims that we cannot continue to rely on devastating World Wars and economic recessions to level out the playing field.

In his chapter “A Global Tax on Capital,” Piketty argues that in order to “regulate the globalized patrimonial capitalism of the twenty-first century, rethinking the twentieth century fiscal and social model and adapting it to today’s world will not be enough”(Piketty, 515). Here, he develops his thesis that “the ideal policy for avoiding an endless inegalitarian spiral and regaining control over the dynamics of accumulation [is] a progressive global tax on capital” (Piketty, 515). Nevertheless, he admits “a truly global tax on capital is no doubt a utopian ideal” (Piketty, 471). But before fleshing out the details of his proposed solution, it is important to understand the philosophical foundation on which he rests his argument. Piketty introduces the term “modern redistribution” which is the end he hopes to achieve through the means of a global progressive wealth tax.

“Modern redistribution...consists rather in financing public services and replacement incomes that are more or less equal for everyone, especially in the areas of health, education...For education and health, there is real equality of access for everyone regardless of income.” (483)

Succinctly, modern redistribution seems similar to what Singer desires – if we all gained access to equal healthcare, then presumably this would prevent deaths from a lack of basic medicine. While Piketty concedes that the possibility of greater state intervention raises very different issues today than it did in the 1930s because “the influence of the state is much greater now than it was then,” (Piketty, 2014, 480) he urges to move past the debate on how much power the state should have. Simply, he claims that quibbling about this notion does not help to “solve the real problem at hand” (Piketty, 2014, 480) of an “endless inegalitarian spiral” and hence, we ought to establish “new instruments...to regain control over a financial capitalism that has run amok” (Piketty, 2014, 474). Still, he acknowledges the possibility that greater state intervention is an unpopular notion, especially in the U.S. – a country where a large part of the global wealth resides – he asserts it is necessary in order to promote “common utility” to ensure that “men are born free and remain free and equal in rights”<sup>2</sup> (Piketty, 479). To explain the seeming distaste for state intervention by the U.S., Piketty proposes the following explanation: “U.S. politicians of both parties are much wealthier...in a totally different category for the average American...they tend to confuse their own private interest with the general interest” (Piketty, 514). Similarly, Piketty claims that the ‘Difference Principle,’ introduced by John Rawls in *A Theory of Justice*<sup>3</sup>, and the

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<sup>2</sup> See Article 1 of the Declaration of the Rights of Man and the Citizen (1789).

<sup>3</sup> For a discussion of this territory, see John Rawls’ *A Theory of Justice* p. 65-91.

‘Capabilities Approach,’ favored by Amartya Sen<sup>4</sup> are “similar in intent” (Piketty, 2014, 480).

Bearing this in mind, Piketty states the following:

“The progressive tax thus represents an ideal compromise between social justice and individual freedom. It is no accident that the U.S. and Britain, which throughout their histories have shown themselves to value individual liberty highly, adopted more progressive tax systems than many other countries.” (649)

Furthermore, he counters two objections that render a drastic increase in the size of the social state neither realistic nor desirable. I will first outline the potential objections only to later provide Piketty’s response. First, for developed nations yielding a 1% year over year per capita income growth, “large and steady taxes... only result in slower if not negative income growth” (Piketty, 2014, 482). Secondly, “once the public sector grows beyond a certain size, it must contend with serious problems of organization” (Piketty, 2014, 482). Piketty responds to these objections by claiming they can be swept away with the development of “innovative types of governance” such as “new decentralized and participatory forms of organizations” (Piketty, 2014, 482) to operate the public sector more efficiently. In other words, he contends that the very notion of the public sector is reductive in the sense that people directly employed by the state need not necessarily operate a ‘public sector’ service. As evidence of this, he provides examples of education and

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<sup>4</sup> For a discussion of this territory, see Amartya Sen’s *Equality of What?* p. 217-220.

health services attended to by many organizations that are of “intermediate forms between the state and private enterprise” (Piketty, 482).

Now that I have explained how Piketty argues that state intervention is necessary, I will outline the specific elements in Piketty’s system of progressive global wealth taxation. Firstly, it is crucial to recognize that Piketty advocates for “a progressive tax directly [tied] to an individual’s total wealth” (Piketty, 526) irrespective of asset class, rather than income. While much of the debate in the 18<sup>th</sup> and 19<sup>th</sup> century centered on property tax, Piketty argues that the main purpose of establishing property tax was to “guarantee rights by requiring registration of titles; not to redistribute wealth” (Piketty, 532). So, he claims it is crucial to tax all asset classes if our goal is to effectively redistribute wealth, regardless of it takes the form of financial securities, real estate, income, etc. Moreover, Piketty prefers taxing wealth rather than income since “one can then vary the tax rate with the size of the fortune, since we know that in practice larger fortunes earn larger returns” (Piketty, 526). Secondly, he claims that a modest annual tax on capital, on the order of a few percent is substantial enough to generate significant revenue for wealth distribution given the very high private level of wealth in the world today. Specifically, he discusses the “possibility of a capital tax schedule with rates of 0.1%-0.5% on fortunes under 1 million euros, 1% on fortunes between 1-5 million euros, 2% between 5-10 million euros, and as high as 5%-10% for fortunes of several hundred” (Piketty, 572), annually.

It is also important to note that Piketty is not advocating for an abolition of all forms of private ownership, in order to solve the problem of capital and inequality. In Piketty’s words, “a tax on capital would be a much less violent and efficient

response to the eternal problem of private capital and its return” (Piketty, 532) than a Marxist type of revolution. This alludes to Piketty’s general support for capitalism. In other words, it seems that he only wants to identify and fix the problem in capitalism, rather than abolish the system altogether. Specifically, “a progressive levy on individual wealth would reassert control over capitalism in the name of general interest while relying on the forces of private property and competition” (Piketty, 532).

## 2.2 Critiques of Piketty

On the other hand, Piketty is happy to institute a tax with the threat of legal punishment or coercion from the state. Taxes, by their very nature, are legal obligations, which are more forceful and harsh than the mere moral obligation that Singer focuses on. Consequently, a Piketty-derived political response imposes authoritative constraints on people’s autonomy and freedom to choose what they want to do with their wealth. Still, the benefits of this type of response remain: it offers effective motivation for people to act morally and is more likely to guarantee poverty alleviation and reduce extreme wealth inequality. Moreover, Piketty’s suggested progressive wealth tax seems much less financially demanding than Singer’s proposed charitable giving brackets<sup>5</sup>. The 0.1%-0.5% of capital that Piketty

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<sup>5</sup> Piketty starts with 0.1% of people’s capital for those worth under 1,000,000 euros in comparison to Singer’s 5% for anyone that earns from \$105,001-\$148,000. 5% of the average income in Singer’s first bracket, \$122,353 (Singer, 2009, 165), is ~\$6,120 while 0.1% for someone worth 500,000 euros sums up to 500 euros which converts to ~\$560 as at 19-May-15.

starts out his progressive wealth tax appears to be quite mild, especially in comparison to other forms of existing taxes.

In a book review of *Capital in the Twenty-First Century*, Bill Gates disagrees that using the coercive apparatus of the state is the sole, let alone most effective, means to solve Piketty's critique of present-day capitalism. Gates implies that Piketty may have been shortsighted when he proposed the idea that a progressive annual tax on capital would best "make it possible to avoid an endless inegalitarian spiral while preserving competition and incentives for new instances of primitive accumulation" (Piketty, 2014, 572). Having established one of the largest private foundations in the world with his wife, Gates (2014) describes that "philanthropy also can be an important part of the solution set" (Gates, 2014).

"It's too bad that Piketty devotes so little space to [philanthropy]. A century and a quarter ago, Andrew Carnegie was a lonely voice encouraging his wealthy peers to give back substantial portions of their wealth. Today, a growing number of very wealthy people are pledging to do just that."

In the above remark, Gates mentions the prevalent culture of charitable giving rising in the U.S., which is along the same lines of Singer's solution. Gates also mentions that effective philanthropy serves a second purpose in addition to producing direct benefits for society. He explains how philanthropy also reduces dynastic wealth – a notion he believes "is bad for both society in children involved" (Gates, 2014). For Melinda (Bill's wife) and Bill, it seems that while they recognize that their children may gain distinct advantages such as a top-level education, and access to their parents network, they want their children "to make their own way in the world" and leave it "up to them to create their lives and careers" (Gates,

2014). In the end, Gates admits that while he does not have a “magic solution,” even with its flaws, “Piketty’s work contributes at least as much light as heat” (Gates, 2014) as it gets intellectuals thinking about this important dilemma.

Instead of attempting to establish bumpers on capitalism like Piketty, Andrew Carnegie asserts that capitalism is “the soil in which society so far has produced the best fruit,” albeit how “unequally or unjustly...these laws [Individualism, Private Property, the Law of Accumulation of Wealth, and the Law of Competition] sometimes operate, and imperfect as they appear to the Idealist” (Carnegie, 1889, 6). Given this, he proceeds to ask the following question all proponents of capitalism must deal with, “What is the proper mode of administering wealth after the laws upon which civilization is founded have thrown it into the hands of the few?” (Carnegie, 6). As a response, Carnegie proposes that “the man of wealth” ought to bring to society’s service “his surplus revenues...his superior wisdom, experience and ability to administer [funds], doing better than [society] would or could do themselves” (Carnegie, 14).

Moreover, Carnegie argues that the wealthy man would naturally fulfill his philanthropic obligations due to the disgrace he would face otherwise by society.

“The man who dies leaving behind many millions of available wealth, which was his to administer during life, will pass away ‘unwept, unhonored, and unsung,’ no matter to what uses he leaves the dross which he cannot take with him. Of such as these the public verdict will then be: ‘The man who dies thus rich dies disgraced.’ (17)

To further induce a culture of giving, Carnegie recommends the state to not tax the greedy millionaires not when they are alive but tax “their estates heavily at

death” to mark “condemnation of the selfish millionaire’s unworthy life” (Carnegie, 15).

Both Gates and Carnegie recommends that philanthropy – private, voluntary giving – can serve as a viable solution to combat unpleasant consequences of capitalism such as extreme poverty. However, while relying on rational persuasion evades the problem involved with the kind of solution that mandates “inequality taxes” – namely, that of interfering with one’s liberty – mandating “inequality taxes” is likely to be more effective in eradicating poverty. Even though public institutions may not efficiently utilize its resources as their private institution counterparts, establishing a tax is a foolproof way to bring about charitable giving. It would undeniably compel people in satisfying their moral demands (granted that Singer’s argument on poverty is morally correct).

### 2.3 Private Giving

While Piketty and Singer clearly both advocate that much more wealth should be redistributed for the “interests of the least well-off,” (Piketty, 577), the details of their solutions are vastly different. Singer’s main focus is to establish the sheer moral argument of why we have a moral obligation to the poor. It is interesting to note, however, that Singer, unlike Piketty, never recommends employing the coercive apparatus of the state as a means to redistribute wealth. Instead, Singer espouses non-governmental organizations (“NGOs”), not-for-profit organizations (“NPOs”), and private giving as the predominant, most effective means to eradicate poverty. As a response to the moral issue, Singer introduces a system of graduated

charitable giving brackets aimed at America's wealthiest 10% in his book *The Life You Can Save*. Singer calculates that we can solve world poverty and still leave the world with multi-millionaires (Singer, 2009, 164-165).

One issue that lurks in the midst of Singer's argument is its inability to motivationally compel in proportion to its intellectually compelling nature. Singer's example of the drowning child may not be compelling for a variety of audiences as human beings do not all possess the same level of commitment to morality. When I once recounted Singer's thought experiment to a track teammate, he responded that if it was the case that he was not walking when he saw the child drowning in the pond, but he was in the middle of a crucial workout, fiercely running in order to pursue his dream of winning an Olympic medal, his desire to achieve his dream would outweigh his desire to stop to save the child. Thus, as a rational agent, he would be perfectly comfortable with deciding to not to stop for the child. Although Singer would openly disapprove my friend on moral grounds, it seems that this may be insufficient to motivate a change in action. While Singer may be morally correct, my friend may be indifferent to condemnation. John Arthur is not only unmoved by Singer, but outright rejects Singer's conclusion. He argues, "it is not always wrong to invoke rights or claim that money is deserved as justification for not giving aid, even when something worse could be prevented by offering help" (Arthur, 2011, 587). Despite Singer's powerful argument, he faces the challenge of convincing those that reject or ignore him to act.

Almost a third of *The Life You Can Save* is devoted to introducing and explaining the notion of *effective altruism* – simply stated, doing the most good one can do – which has expanded into its own book, *The Most Good You Can Do*.

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To maximize the impact of philanthropy, Singer advocates we must channel our “warm glow” towards “the cause that will do the most good, given the abilities, time, and money [we] have available” rather than giving “to whatever cause tugs most strongly at [our] heartstrings” (Singer, 2015, 5-7). To demonstrate, he explains how an effective altruist would rather donate \$7,500<sup>6</sup> to “save the lives of at least three children and maybe many more,” “by protecting families from malaria,” than to the Make-A-Wish Foundation in order to “make a child’s wish come true” (Singer, 2015, 6). Intriguingly, *The Most Good You Can Do* is explicitly addressed to private individuals, rather than to lawmakers or the state. I believe the reason for this is Singer’s conviction for the *ineffective* altruistic tendencies of the state. “Consider the top ten recipients of U.S. official development aid...Iraq alone received 29.5% of the U.S. foreign aid budget in 2007...In contrast, the ten poorest countries in the world receive a combined total of 5% of U.S. aid”<sup>7</sup> (Singer, 2009, 106-107). Singer (2009) continues the charge.

“Branko Milanovic, an economist at the World Bank, has examined the 2001 country-to-country aid disbursed by most [Organisation for Economic and Co-operative Development] countries, and found that bilateral aid from the European Union is even more skewed than U.S. aid toward nations with a per capita income above the world average.” ( 107)

Singer also indicates he is not the only, nor the first person to disapprove of state-funded aid. “[William] Easterly argues that these organizations’ [the World

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<sup>6</sup> The dollar amount needed to make the average child’s wish come true as per Singer.

<sup>7</sup> See Organization for Economic Co-operation and Development (OECD) Donor Aid Charts.

Bank, the International Monetary Fund, the United Nations, and the United States Agency for International Development, all government-run programs and government-funded institutions] failures result from grandiose ambitions, top-down planning, and a lack of accountability” (Singer, 2009). After making the case against government-funded aid through multiple sources of evidence, Singer (2009) seems optimistic about private charitable giving.

“Because it hasn’t been tried, no really knows whether poverty on a global scale can be overcome by a truly substantial amount of aid provided without political interference. The political and bureaucratic constraints that encumber official aid only make private donations to effective nongovernmental agencies all the more important.” (110)

I suspect that Singer reverts to private, voluntary, charitable giving as the best means to eradicate poverty for two reasons: (i) the state is inefficient in allocating wealth to help the most number of people, and (ii) Singer wishes to *convince* people to donate their money, rather than *coerce*, as long as they have thought about where their donations can achieve the most good. So, the only penalty that Singer seems willing to affix if you fail to give is the not-so-harsh penalty of moral disapprobation. Notably, Singer’s proposed solution is perfectly compatible with a form of libertarian capitalism. He does not advocate for the state to force you to redistribute your money, but he does indeed contend that you morally ought to. The fact that Singer ultimately leaves the decision of whether to give or not to give, to us, preserves our autonomy and freedom to choose. Singer’s view is distinctively incompatible than the version of capitalism that claims you have no moral obligation to your fellow humans, whatsoever. Instead, Singer’s view is compatible with the view that claims that with respect to wealth, all obligations stem from

negative rights – rights of non-interference such as the right not to be killed or the right not to have something stolen from you. Thus, as long as one does not use his wealth to actively interfere with another's negative rights, one does not owe any further obligations to another.

## 2.4 Critique of Singer

In *On Liberty*, John Stuart Mill warns us of the danger that democracies are prone to. He argues that since “society can...issue wrong mandates instead of right,” it can lead to practicing “a social tyranny more formidable than with many kinds of political oppression” (Mill, 7). Hence, he argues, “the only purpose for which power can be rightfully exercised over any member of civilized community, against his will, is to prevent harm to others” (Mill, 13). While Mill admits that because acting “in the opinion of others...would be wise, or even right,” and not acting in accordance with public opinion can warrant “remonstrating with him or reasoning with him,” he contends that the state should not be “compelling him, or visiting him with any evil, in case he do otherwise” (Mill, 13). To develop this point, Mill brings up that the fallibility of majority opinions is best exemplified by observing the past. Hence, Mill asserts we need “protection also against the tyranny of the prevailing opinion and feeling, against the tendency of society to impose, by other means than civil penalties, its own ideas and practices as rules of conduct on those who dissent from them” (Mill, 7). Still, while Mill condemns using the coercive apparatus of the state (except in cases it is used to prevent harm for others), he actually encourages public discussion on issues and through the task

of preserving liberty, he preserves the freedom of expression. So, he claims, “advice, instruction, persuasion... are the only measures by which society can justifiably express its dislike or disapprobation of his conduct” (Mill, 292). When individuals are contemplating decisions, Mill permits “considerations to aid his judgment... be offered to him...by others,” but ultimately, Mill fiercely contends that “he himself is the final judge” (Mill, 277).

Similarly, it seems that the only punishment Singer can advocate is the punishment of moral disapprobation as he expounds why, for moral reasons, the average wealthy person ought to give to alleviate the pain and suffering faced by the world’s poorest. Singer acts in accordance to a Millian-like society by which he not only uses his freedom of expression to develop a powerful moral argument but he also offers advice on how to most effectively maximize the impact of private, charitable giving. Moreover, he disapproves of state-funded aid through taxpayer’s money.

Still, it appears eerily uncomfortable to simply rely on charitable giving as the solution when it is so opposed to notions of self-interest and egoism – notions many of us take to be fundamental notions of human nature. Are “advice, instruction, persuasion,” as the only mediums to express one’s dislike for another’s conduct, as Mill puts it, sufficient enough to eradicate an ethical problem as significant as extreme poverty? Would such a solution be sufficiently effective in pooling enough money and resources from public citizens in order to face an issue of such magnitude? This kind of solution is similar to how we have been dealing with the problem thus far – which has yielded disappointing results. The not-for-

profit organization, UNICEF, denoted that 30% of children in developing countries – about 600 million – lived on less than US\$1 per day in 2015<sup>8</sup>.

The solution we ought to be seeking instead should preserve people's liberty and freedom to choose whether to give yet be effective enough in pooling resources to deal with global poverty. Bearing this in mind, I believe that Singer is onto something when he advocates that framing effects may make it possible to achieve dramatic increases in the rate of donation. Singer compares the results of countries that employ two different systems to promote blood donation. He writes, "in four countries with 'opt-in' systems, the *highest* proportion of registered donors, even after extensive public-relations campaigns, is 27.5%. In seven countries with 'opt-out' systems, the *lowest* proportion of potential donors is 85.9%" (Singer, 2009, 70). Hence, it seems that it is human nature to leave unchanged our default settings, which can have immense impacts in our behavior – and in the case of poverty eradication, save millions of lives. While Singer provides illustrative examples of corporations such as Bear Stearns, Goldman Sachs, and Google, that have harnessed this aspect of human nature (Singer, 2009, 72), perhaps there is a powerful argument to be made for the state to establish an 'opt-out' charitable giving system.

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<sup>8</sup> Source: UN Millennium Project, UNICEF, 2015.

## Section 3: Libertarian Moralism: A “Goldilocks” Solution?

### 3.1 On Libertarian Paternalism

In *Nudge: Improving Decisions About Health, Wealth, and Happiness* and *Libertarian Paternalism Is Not An Oxymoron*, Cass Sunstein and Richard Thaler deem the traditional belief that paternalism curbs freedom a false dogma or misconception. They claim that paternalism, in fact, is not incompatible with libertarianism, despite the conventional wisdom that “libertarians deplore paternalism” as they “embrace freedom of choice,” and correspondingly, “paternalists abhor libertarianism” as they are “skeptical of unfettered freedom of choice” (Sunstein & Thaler, 2003, 1160). Sunstein and Thaler (2003) write:

“The libertarian aspect of our strategies lies in the straightforward insistence that, in general, people should be free to opt out of specified arrangements if they choose to do so... libertarian paternalists urge that people should be ‘free to choose.’ A policy therefore counts as ‘paternalistic’ if it attempts to influence the choices of affected parties in a way that will make choosers better off.” (1161)

So, while the notion of a paternalistic nudge steers one to take a certain course, it always leaves open the option to choose another course. To best illustrate this, the authors introduce Carolyn, the cafeteria manager. In her cafeteria, Carolyn has noticed that different architectures, not merely price, affect people’s buying patterns. If she replaces cake with fruit in the impulse basket next to the cash register, people buy more fruit and less cake. It is important to note that the option of *not nudging* is unavailable since all architectures have nudging effects, whether they’re chosen deliberately or not. The authors provide various options that Carolyn can choose given the above information.

Carolyn can “(i) arrange the food to make the students best off, all things considered, (ii) choose the food order at random, (iii) try to arrange the food to get the kids to pick the same foods they would choose on their own, (iv) maximize the sales of the items from the suppliers that are willing to offer the largest bribes, (v) maximize profits, period” (Sunstein & Thaler, 2008, 2). In this case, the authors argue that Carolyn is a “choice architect” – one who has the responsibility for organizing the context in which people make decisions. More importantly, they argue that Carolyn should harness this opportunity to nudge kids towards making healthier food choices in a manner that is “relatively weak, soft, and nonintrusive...because choices are not blocked, fenced off, or significantly burdened” (Sunstein & Thaler, 2008, 5). In this sense, Carolyn is still “paternalistic” as she tries to influence choices in a way that will make choosers better off.

While much of the authors’ work focuses on describing how LP is an important consideration for the private sector, they also show “the same points that justify libertarian paternalism on the part of private institutions apply to government as well” (Sunstein & Thaler, 2008, 6). Since people are skeptical of the government’s ability to be competent, the authors favor nudges over strict commands, requirements, or prohibition – all clear forms of government intervention. Thus, they argue that if libertarian paternalistic nudges can replace strict governmental laws and intervention, “government will be both smaller and more modest” (Sunstein & Thaler, 2008, 14). This loosely aligns with the libertarian ideals that not only Mill and Carnegie hold, but a Singer-inspired response also holds.

### 3.2 *Libertarian Moralism: Save Lives, Preserve Freedom?*

While *LP* is meant to serve the good of the nudged themselves, I am suggesting that governments should seize the opportunity they have in front of them to “nudge” for the good of others. This sort of *LM* may serve as a prospective solution to the political question this paper has been addressing. Perhaps we can avoid the coercive apparatus of the state, like Piketty suggests, yet partake in more meaningful action than mere moral disapproval, like Singer suggests. *LM* offers a way for the state to create a culture of philanthropy and generate more money for effective charities (a notion that the Effective Altruist should be most excited about) without involving the kind of government intervention that concerned Mill. Thus, it has the potential to serve as a viable middle ground to settle the political issue that followed the moral questions we began with.

Specifically, Sunstein and Thaler describe the ubiquitous and powerful nature of defaults, driven by the heuristic that “people will take whatever option requires the least effort, or the path of least resistance” (Sunstein & Thaler, 2008, 83). Defaults are also unavoidable because for any decision node within a choice architecture system, there must be an associated rule that establishes what happens to the decision maker if he does nothing. The authors provide the example of the “No Child Left Behind Act,” which required school districts to supply the contact information of students to the recruiting offices of the armed forces. Since the law stipulated that “a secondary school student or the parent of the student may request that the student’s name, address, and telephone listing not be released without prior written parental consent, and the local educational agency or private school shall notify parents of the option to make a request and shall comply with

any request,” some schools interpreted the Act as an opt-in policy, where parents were notified that they could elect to make their children’s contact information available, but if they did not do anything, the information would be withheld. On the other hand, others interpreted the Act as an opt-out policy, where only if it was actively requested that the contact information for the student be withheld would that option apply. Not surprisingly, the Defense Department and the school districts noticed that opt-in and opt-out policies led to very different outcomes.

Charitable giving may be an area for the government to reverse the default setting if Singer’s moral argument on poverty is correct. The libertarian paternalist seems to have the following idea on their side: “Look, we are not coercing anyone here, we are helping people do what they want to do for themselves anyway, and if they disagree, they can opt out.” By successfully executing choice architecture, the state would be able to characterize an opt-out charitable giving platform that offers a number of credible choices. For example, allowing people to choose their own charities (while still carefully selecting a highly effective default charity or charities for anyone who does not desire to make an active choice), allowing any charity that meets a minimum “effectiveness quota” based on metrics such as cost per life saved to enter the pool of charity choices, providing the option to consult an expert, and streamlining the process to make it as effortless as possible may significantly reduce poverty through a non-coercive, carefully considered nudge from the state.

## Section 4: Philosophical Objections to Libertarian Moralism

### 4.1 Is Libertarian Moralism *Overly* Paternalistic?

One meaningful objection to LM, especially as a nudge mandated by the state, centers on the *overly paternalistic* nature of LM. Opponents can raise the following question: is it the case that LM is inadmissibly paternalistic, that the state's nudging violates the autonomy of those it nudges?

Weakly, I argue that in the case of LM, it is plausible that the good outweighs the harm caused by its paternalistic characteristics. More strongly, however, I argue that it is plausible that LM is not even a form of LP because LM is not actually paternalistic. While LP (and paternalism more broadly) is meant to serve the good of the nudged themselves, I am suggesting that governments seize the opportunity they have in front of them to “nudge” for the good, generally. As one of the most notable modern commentators on paternalism, Gerald Dworkin, notes: “Paternalism is the interference of a state or an individual with another person, against their will, and defended or motivated by a claim that the person interfered with will be better off or protected from harm... it involves some kind of limitation on the freedom or autonomy of some agent” (Dworkin, 2014). Seana Shiffrin’s view of paternalistic policies is similar: “A substitutes her judgment for B’s about what B should aim for and works around B’s agency to get B to act as A believes would be better off for B” (213, Shiffrin, 2000). So, I argue the stark contrast between paternalism and moralism are the goals of each policy – the former: the interests of the person being interfered with, while the latter: the good. The goal of LM is not so that the person being interfered with can be better off or protected from

harm. More precisely, LM nudges people to do what is for *the good* rather than what is for *their good* (as in the case of classic LP). Accordingly, as mentioned earlier, while Sunstein & Thaler view all forms of nudging as *LP*, I use the term, *LM*, to refer to nudges related to charitable giving.

## 4.2 Is Libertarian Moralism *Manipulative*?

While nudging obviously influences the choices people make, nudging seems to leave the choice set unchanged. In Sunstein and Thaler's prime example of LP regarding Carolyn the cafeteria manager, it is clear that none of the choosers will be forced, or coerced to buy certain items. However, one can claim that while Carolyn is not coercing the choosers, she is manipulating the choices.

So, this may be where the opponent of LM may fall back into to raise a related, yet different complaint. After determining that perhaps the opponent of LM was mistaken to attack on paternalistic grounds, another complaint may be that LM is *manipulative*. The opponent may ask, "perhaps it's not the target itself that is the problem, but the process of how LM aims to achieve its target." Perhaps what is *wrong* about LM is not that it is overly paternalistic, or constrains the freedom of the individual (as nudging leaves the choice set unchanged), but that it subverts one's autonomy and interferes with one's rational deliberating process.

Wilkinson asks a similar question, "Is it not manipulation to take advantage of people's faults deriving from economic rationality? And if it is manipulation, how can nudging be libertarian?" (Wilkinson, 2013, 342). In what follows, I evaluate whether *LM* is manipulative – a surprisingly difficult concept to formulate and

apply – and therefore, whether it should be abandoned. The obvious problem with LM then, is not that it is coercive – rather, the issue is whether LM is manipulative, or *unacceptably* manipulative. Now I have clarified that the problem with LM is not that it is coercive nor paternalistic, I will examine whether LM is manipulative.

The first task in responding to the manipulation critique will be surveying the literature surrounding manipulation in order to derive a convergent principle of manipulation. Scholarly works in psychology, communication, and marketing contain a wealth of knowledge into the methods of manipulation but they are yet to be integrated into a plausible normative theory. Hence, this exercise will comprise of answering questions such as: What do we mean by manipulative? What do we mean by *unacceptably* manipulative? Is LM unacceptably manipulative? And if it is, is it normatively objectionable? Currently, there is no robust set of literature that focuses on the mechanics of manipulation as there is for coercion, or liberty. Upon applying the derived principle of manipulation to LM, which will involve the broader undertaking of considering the *ethics* behind LM, I argue that LM is *not* normatively objectionable.

### 4.3 On Manipulation

Dworkin introduces the idea of manipulation intuitively as a mechanism that interferes with “the decision-making capacities of the agent” rather than interfering with “the choices of an agent” (Dworkin, 2014). He highlights important relations between coercion, deception, and manipulation:

“Manipulation involves distorting the way that agents reach decisions, form preferences, and select goals. But only certain ways of doing this count as manipulative. Coercion, for example, is not usually counted as manipulative. But deception does. And so do playing on people's emotions, or weakness of character.” (2014)

However, when it comes to whether nudging falls into the manipulation category, he basically says, *it depends*. “If nudges are manipulative then they may be infringements of autonomy which is the main objection that has been directed at the ‘old’ paternalism” (Dworkin, 2014).

Joel Rudinow characterizes manipulation as a mysterious middle ground between persuasion and coercion – all three involve an attempt to get someone to do or omit doing something he might not otherwise do or omit (i.e. influence someone’s behavior). Rudinow proposes the following prospective schema for manipulation: “an agent A attempts to manipulate subject S if and only if A attempts to motivate S’s behaviour either by means of deception or by playing on a supposed weakness of S.” However, upon forming this definition, he distinguishes two ways of motivating behaviour:

- (i) Simple motivation: motivating one’s behaviour whilst preserving one’s “antecedently adopted or already operative goals”<sup>9</sup> (Rudinow, 1978, 345);  
and

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<sup>9</sup> Rudinow provides the following example to make this distinction clearer. Imagine that I respond to your request for directions by simply deceiving you about them – I am attempting to motivate your behavior but in a way I presume to be consonant with your already existing goals (simple motivation). Now, imagine I indicate a false interest in joining you in some activity in order to get you to stop – this time, I am still attempting to motivate your behaviour but not in a way that presumes to be consonant with your already existing

- (ii) Complex motivation: motivating one's behaviour in a way "which one resumes will alter (usually by complicating) the person's project (complex of goals)" (Rudinow, 345).

Hence, he offers his revised schema for manipulation: "an agent, A, attempts to manipulate a subject, S, if and only if A attempts the *complex motivation* of S's behavior by means of deception or by playing on a supposed weakness of S" (Rudinow, 346). This new proposal that characterizes manipulation appears to be relatively more sophisticated than its predecessor. While deception can be described as "the attempt to operate the 'lever of belief'...with the intention of causing someone to believe what we take as false" (Noggle, 1996, 44), manipulation includes causing someone not only to believe, but also act according to what we take not only as false but true. In other words, we motivate one's behaviour towards how we want them to behave, regardless of whether these behaviours are based on truisms or falsities. The manipulator can either be deceptive or behave "predicated on some privileged insight into the personality of his intended manipulee" (Rudinow, 346). Parallel to Aristotle's nested hierarchy of the degrees of the soul<sup>10</sup>, the sophistication of manipulation described above restricts the agents and objects

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goals as I have now complicated them by getting in your way (complex motivation) (345, Rudinow, 1978).

<sup>10</sup> In *De Anima*, Aristotle proposes a nested hierarchy of soul functions or activities and the: (a) a nutritive soul – concerning growth, nutrition, reproduction (plants), (b) a sensitive soul – concerning locomotion, perception (all animals), and (c) a rational soul – concerning intellect (human beings) (413a23, Hicks, 2015).

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of manipulation to exclude animals and plants – animals and plants are incapable of recognizing attempts to influence their behavior and vice-versa.

Noggle's understanding of manipulation aligns with Rudinow's. He suggests that during manipulation, "the victim is treated as though she were some sort of object or machine" and the manipulator controls his victim by "adjusting her psychological levers"<sup>11</sup> (Noggle, 44). In doing so, Noggle suggests that the manipulator is able to thwart one's norms and / or ideals that make up one's beliefs, desires, and emotions – which seems strikingly similar to Rudinow's conception of 'complex motivation.' In both Noggle's and Rudinow's views, manipulation includes, yet, is not limited to deception. In other words, deception is merely a variety of manipulation. Furthermore, in both of their theories on manipulation, an agent does not simply interfere with a subject's ability to reach decisions based on their pre-existing goals, but rather "alters the [subject's] project (complex of goals)" in the words of Rudinow, or "thwart[s] one's ideals that make up one's beliefs, desires, and emotions" in the words of Noggle, which I presume to convey similar, if not the same, concept[s].

By triangulating these views, we can attempt a first approximation of what manipulation is. On all accounts, manipulation, it seems, holds certain characteristics that we can use towards developing the necessary conditions of what it means for an action to be manipulative:

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<sup>11</sup> Noggle outlines three main levers that a manipulator can operate – belief, desire, and emotion.

- Manipulation involves the perversion of a decision-making process where the victim behaves in a way he otherwise would not have;
- Manipulation involves an intentional agent that interferes with a subject's ability to make decisions regarding his behaviour;
- Successful manipulation leads to a change of one's goals, norms, or ideals;
- Manipulation infringes on one's sphere of autonomy and freedom to pursue one's goals, norms or ideals.

### 4.4 Is Nudging Normatively Objectionable?

Sunstein and Thaler argue that nudging is not normatively objectionable because, as long as the switching costs are kept to a minimum, nudges simply change the presentation of the choices in such a way that people are more likely to choose options that are best for them. Moreover, they highlight that many of their nudges, especially the nudges involving *default rules* are inevitable. In their words, “the thrust of [their] argument is that the term paternalism should not be considered pejorative just descriptive...some organizational decisions are inevitable...a form of paternalism cannot be avoided...we can abandon the less interesting question of whether to be paternalistic or not, and turn to the more constructive question of how to choose among the possible choice-influencing options.” However, nudges that involve shaping one's choices, rather than a clear default rule, such as the example involving Carolyn the Cafeteria Manager, seems more paternalistic. “If instead, she had just placed nutritional information by everything, then she would not be aiming to be ‘shaping’ children's decisions and her actions would not in our view (as opposed to Thaler's and Sunstein's) count as paternalistic. If it contained false info, it would then again count as paternalistic”

(Hausman & Welch, 129). Hausman and Welch calls the “use of flaws in human decision-making to get individuals to choose one alternative rather than another ‘shaping’ their choices” (Hausman & Welch, 128). While ‘manipulation’ may be a more natural term, the authors avoid calling it such a pejorative term, in order to evaluate whether ‘shaping’ people’s choices is justified.

While we seem to have formed a markedly noticeable line between coercion and manipulation, we have yet to form one between manipulation and rational persuasion. What is morally troubling is that ‘shaping’ does not necessarily seem to respect both individual liberty and the agent’s control over her own decision-making, unlike rational persuasion. Nevertheless, Hausman & Welch exposes the ‘irrational’ component of ‘rational persuasion.’ They write, “Our efforts to persuade may succeed because of the softness of our smile or our aura of authority rather than the soundness of our argument” (Hausman & Welch, 130). In other words, it almost seems as if there is some ‘shaping’ involved in rational persuasion as well. However, one key difference between clear manipulation and rational persuasion lies in that the primary means that rational persuasion changes one’s behaviour is through valid argument and facts. Not taking advantage of one’s weaknesses, or complicating one’s psych, as manipulation does.

Another key difference is that it seems as though while rational persuasion is transparent about its mechanisms of changing behaviours, manipulation seems to work best ‘in the dark’ – when the subject does not *know* that he is being manipulated. This is alarming because many forms of nudging share this common denominator. Bovens purports that “if we tell students that the order of the food in

the Cafeteria is rearranged for dietary purposes, then the intervention may be less successful”<sup>12</sup> (Bovens, 2009, 209).

Wilkinson argues that nudging clearly satisfies at least a couple of the conditions of manipulation, namely, that nudging involves an intentional actor, and that nudging aims to pervert one’s decision-making process so the subject behaves in a way he otherwise would not have. While Wilkinson also claims that by perverting someone’s decision-making process, one “thereby infringe[s] upon his or her autonomy,” Hausman and Welch conclude that “nudges in many cases are...largely cases of rational persuasion” (Hausman & Welch, 136). However, they still admit that their “libertarian credentials are questionable, even though they do not close off alternatives or render them appreciably more costly” (Hausman & Welch, 136).

Bovens implies that, “in assessing the permissibility of particular Nudges, many more considerations that are idiosyncratic to the case at hand will emerge and each case will need to be assessed on its own merits” (Bovens, 218). Accordingly, while it is useful to investigate the manipulative aspects of LP and nudging as a whole, it is imperative we evaluate the merits of LM on a standalone basis.

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<sup>12</sup> “The following oft-cited example illustrates this well. People are prone to add an expensive car radio to their newly bought car. But if the car radio is not available on the day of the purchase and they are offered the very same car radio the very next day, then they would never dream of spending this kind of money on a car radio (Savage 1954, p. 103). Now once you point this out to them, they typically try to self-correct. They refrain from buying the expensive radio at the earlier point of time. Or, they may take this to be an argument for spending the money the next day – they remind themselves that they were perfectly happy to buy the radio on the day of purchase. It is not clear what direction they will take the argument, but at least, they will strive for less inconsistency in their actions” (209, Bovens, 2010).

#### 4.5 Is Libertarian Moralism Normatively Objectionable?

There is wide scholarly convergence that manipulation is normatively objectionable, with some thinkers arguing that the exception to this is when manipulation is used to avoid future harm. While one might expect a more heated debate or complex moral analysis on why manipulation is wrong, Noggle argues the story is quite simple. “All cases of manipulative action involve...the intention to lead astray, to induce a violation of certain ideals” (Noggle, 52). Consequently, he argues that the devil lies in the way manipulation treats others. It is clear that “acting manipulatively violates rational agency and fails to respect the personhood of the victim” (Noggle, 53). In some ways, it is akin to the idea of treating someone as a machine or an object.

Rudinow agrees. Given our previous formulation of the concept of manipulation in that there has to be a clear intention to interfere with one’s operative goals in conjunction with the premise that the selection and pursuit of one’s goals is a *prima facie* right, Rudinow makes the following conclusion. “Being manipulated is so frequently assimilated to being used, treated instrumentally – in the jargon of Kant – as a means rather than an end” (Rudinow, 347).

Hausman and Welch add to the barrage: “Manipulation is a form of influence that subverts and insults a person’s autonomous decision making” (Hausman & Welch, 128). Wilkinson holds a stricter, less generous view on the wrongness of manipulation that defies the consequentialist’s excuse to manipulation.

“What is primarily wrong about manipulation is that it violates autonomy. Manipulation could be wrong for other reasons, for instance because it causes us to be exploited or to act against our interests, but manipulation would be *prima facie* objectionable even if it made people better off. This view is widely shared...to manipulate people is to treat them as both tools and fools.” (345)

Now we have established that straight manipulation is morally objectionable upon various ethical accounts, the question is whether LM specifically is a defensible nudge. From the libertarian’s perspective, it is worth highlighting that John Stuart Mill was emphatic in his *view* for individuals and the government to inform and rationally to persuade, and avoid “the system of despotic, or what is called, paternal, government.” However, note that what Mill specifically objects to in paternalism refers to *individual liberty* – not autonomy (the control an individual has over his or her own evaluations and choices). Contemporary philosophy typically treats a limitation on freedom as a defining feature of paternalism – which is why paternalism is morally problematic. Hence, it seems as if while Mill would reject coercion – interfering with an agent’s choice set – he would not necessarily have a problem with the kind of nudge LM seems to espouse. LM simply involves a reversal in the default setting with a clear opt-out escape clause – as long as the switching costs are minimized and citizens have sufficient enough power to speak up and change the rules of the game, people would still have the liberty to do what they so choose. Sunstein and Thaler add, “an opt-out right operates as a safeguard against confused or improperly motivated planners” (Sunstein & Thaler, 2003, 1201).

## Section 5: A Defense of Libertarian Moralism

### 5.1 Opting-out Does Not Employ the Same Apparatus as Manipulation

Still, I suppose that an opponent of LM would critique the theory on the ground that “setting defaults still may ‘push’ individuals to make one choice over another” (Hausman & Welch, 128). Hausman and Welch make note of the following example employing the LP technique of changing the default:

“There is an important difference between what an employer does when she sets up a voluntary retirement plan, in which employees can choose to participate, and what she does when, owing to her understanding of limits to her employees’ decision-making abilities, she devises a plan for increasing future employee contributions to retirement.” (128)

Their argument centers on the premise that ‘pushing’ may not take the form of rational persuasion and hence, diminish a subject’s autonomy. When ‘pushing’ is involved, it seems that the subject’s decisions may be more of a reflection of the tactic of the choice architect rather than the subject’s own evaluation of alternatives. Depending on how effective the choice architect is in his tactics, it may even be the case that the subject’s decisions may be exclusively a reflection of the choice architect’s strategies. If ‘pushing’ equates to, and is as morally wrong as, manipulation, this raises meaningful concerns for LM, and hence, LM may not be a defensible policy.

However, while this kind of ‘pushing’ seems similar to manipulation, I argue that the key difference lies in that successful ‘pushing’ does not necessarily lead to a change of one’s goals, norms, or ideals – one of the necessary conditions I outlined for manipulation in **4.4 On Manipulation**. Let’s explore the retirement

plan example again mentioned above. If the employees were successfully manipulated in increasing their future contributions towards their retirement, then they would have had to undergone a preference change. Imagine an employee, E, who is successfully ‘pushed’ by the opt-out retirement policy. Let’s suppose that E otherwise would not have increased his future contributions towards his retirement. The reason why E might decide to opt-out of the default may not necessarily be because of a change in the E’s goals, norms, and ideals, but something much simpler.

Sunstein and Thaler address the snowballing effect involved with modifying the default setting. In the chapter “Increasing Organ Donations,” they show that “87 percent of adults in Illinois feel that registering as an organ donor is the right thing to do.” Empirical evidence that suggests, “people like to do what most people think it is right to do...people like to do what most people actually do” (Sunstein & Thaler, 2008, 182). If it’s the case that E is acting in a way that is consistent with his “antecedently adopted” or “already operative” goal of complying to social norms in order to preserve his reputation by not opting out, then there it seems as if there has not been a change in their ideals that make up his “beliefs, desires, and emotions.” In other words, it seems as if this kind of nudge, which employs the same mechanisms as LM, does not include the complex motivation that Rudinow claims is involved with manipulation. Hence, I argue that LM is not a form of manipulation, and therefore, is shielded from the moral criticisms that manipulation succumbs to.

## 5.2 A Consequentialist Defense to Libertarian Moralism

Furthermore, there is a formidable consequentialist defense to LM. Even if it was the case a moral injustice was being done in perverting the autonomy of others, it is challenging to imagine a substantial amount of harm inflicted to anyone, while it is easy to conceptualize the (potentially) millions of lives being saved through the proposed solution. The default rules for charitable giving do not fit the usual definition of LP – hence, my name for it, LM. The issue is the welfare of third parties, not of choosers. Such a policy aims to assist vulnerable people, without mandating behaviour in any way. Even if it was the case that in some way, LM interfered with an individual's freedom on top of his autonomy, the moral *goodness* of implementing LM may outweigh the moral *badness* of interfering with one's freedom. The only principle, for Mill, that warrants interfering with “the liberty of action of any of their number, is self-protection...the only purpose for which power can be rightfully exercised over any member of a civilized community...is to prevent harm to others” (Mill, 223). However, consenting to LM runs the risk of government coercion and the tyranny of majority. Bovens asserts, “To safeguard the minority and preserve Mill's reasons for libertarianism, we may give the government a mandate to engage in certain types of nudges but respect the right of minorities who do not appreciate this type of manipulation. Every nudge should be in principle possible for everyone who is watchful to unmask the manipulation” (Bovens, 217). So, if we can ensure transparency, respect individual and minority rights, and develop accessible avenues for their voices to be heard, it seems as if this would improve the moral legitimacy of LM.

The writers of *Nudge* also argue that since “default rules of some kind are inevitable” and “affects preferences and behaviour...the effect is both unavoidable and significant” (Sunstein & Thaler, 2003, 1171-1175). This highlights that changing the default will effectively raise money from those who are indifferent to giving. Suppose I am not willing to go out of their way to give 1% of my income to charity, but I am also not willing to go out of my way to stop giving, either. Currently, the default is to not draw from this group... but should it be? With LM specifically, it seems like such a policy would end up doing more good than bad through the potential of saving millions of lives.

### 5.3 If We Reject Libertarian Moralism, We Must Reject Other Practices

As a final justification to LM, if we are to reject the policy on the grounds that it is unacceptably manipulative, it seems as if we ought to reject numerous other practices that we see prevalent in society today. Hausman and Welch draw attention to three types of practices that we allow in society yet clearly exploits the flaws in rational deliberation:

“*Advertisers*<sup>13</sup> attempt to influence consumer choices by suggesting associations between products and valued traits such as masculinity or femininity or wealth or health. *Charities*<sup>14</sup> attempt to draw on people’s

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<sup>13</sup> Italics added.

<sup>14</sup> Italics added.

emotions. *Pictures or music*<sup>15</sup> can change people's perception of the value of alternatives." (131)

This raises the general question of what limits there should be on the exploitation of decision-making flaws to influence behaviour. While "pushing" may have characteristics inherent in manipulation, "there is also often some element of informing and rationally persuading in the complex and rich panoply of ways in which people influence the choices of others" (Hausman & Welch, 131). Bovens considers similar thought experiments, and argues that the way nudges differ from subliminal messages is that while there is no way we can notice having our autonomy interfered with in subliminal messages, if we are being nudged, "it is possible to recognize each token interference" (Bovens, 216). He comments further, "A watchful person would be able to identify the intention of the choice architecture and she could blow the whistle if she judges that the government is overstepping its mandate...[this] is not possible for subliminal images" (Bovens, 217). As long as people are informed about the underlying reasons behind LM, so that they are aware their choices are being shaped, it is one step further removed from manipulation.

Moreover, if there are other things that are tugging on heartstrings and "pushing" or "shaping" one's decisions, it does not seem unacceptably wrong for an organization to institute LM. Alternatively, if we allow other techniques that people use to influence the behavior of others without limiting what alternatives

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<sup>15</sup> Italics added.

they can choose, on a philosophical sense, we should allow changing the default setting of charitable giving to an opt-out. At the very least, it seems acceptable to try experimenting with LM through a pilot program to evaluate the non-philosophical considerations regarding such a policy.

#### 5.4 Conclusions on the Ethics of Libertarian Moralism

In this chapter, I began with the complaint that LM was overly paternalistic and defended LM from such a complaint by delineating the distinction between *paternalism* and *moralism*. Then, I moved onto the more worrisome complaint that LM is *unacceptably manipulative* in the way it shapes one's decisions. I determined that LM would not be justified if we could concede that the kind of nudging LM employed was unacceptably manipulative. Through surveying the literature surrounding the manipulation, we derived an acceptable principle of manipulation that expressed the following<sup>16</sup>:

- Manipulation involves the perversion of a decision-making process where the victim behaves in a way he otherwise would not have;
- Manipulation involves an intentional agent that interferes with a subject's ability to make decisions regarding his behaviour;
- Successful manipulation leads to a change of one's goals, norms, or ideals;
- Manipulation infringes on one's sphere of autonomy and freedom to pursue one's goals, norms or ideals.

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<sup>16</sup> I confirmed that manipulation is normatively objectionable by presenting a convergence of thinkers who argue that manipulation violates autonomy and therefore, treats others instrumentally – as a means rather than an end – and insults a person's ability to make decisions.

## EVALUATING LIBERTARIAN MORALISM AS A SOLUTION TO GLOBAL POVERTY

I defended LM from its critique of being normatively objectionable on the grounds that it was unacceptably manipulative through three arguments. Firstly, I argued that nudging in the form of simply changing the default from an opt-in to an opt-out does not comply with the principle of manipulation we derived earlier. This is because the apparatus that an opt-out policy employs is largely not the kind of apparatus that manipulation employs, namely, changing one's "antecedently adopted" or "already operative" goals and desires. Secondly, I formulated a formidable consequentialist defense to LM by establishing that the effects of a default setting is unavoidable, and therefore, we ought to pick the policy alternative that does more good than bad. Lastly, I argued that if we are to reject LM on the grounds that it is unacceptably manipulative, we will be forced to reject numerous other practices we see prevalent in society today such as for the same normative objection. Hausman and Welch point out some of these practices as influencing consumer choices through advertising, drawing on people's emotions when asking for charitable gifts, and changing people's perceptions of the value of alternatives through pictures or music.

These arguments successfully protect LM from the normative objection that it is unacceptably manipulative and make clearer distinctions between pure forms of manipulation such as subliminal messaging and nudging for the *good* through establishing an opt-out policy. Nevertheless, I assert certain requirements LM must satisfy in order to transcend its normative critiques. Firstly, we must be transparent about *why* we would implement such a policy, namely, to alleviate others of extreme poverty for moral reasons, and harness the potential to save millions of lives. Secondly, in order to safeguard the interests of those who may

not appreciate charitable giving, we must keep the switching costs between opting in and opting out at a minimum. Lastly, when establishing LM, we must give people sufficient power to overturn such a policy or blow their whistle if they judge that the government is overstepping its mandate.

## 5.5 Final Thoughts

One objection to *Famine* was that charitable giving is “beyond the capacities of the ordinary man” (Singer, 1972, 237). Could it be possible that a primary reason for this way of thinking is that our default setting is currently set to an “opt-in” charitable giving system? While LM may not be a perfect political solution to address extreme global poverty, it certainly seems to strike a creative balance in increasing the amount of aid provided to those in extreme poverty without trampling key libertarian notions.

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