Introduction

Should we want to have a society in which people have the freedoms to develop their lives in such a way that they can become superrich? To many people, this is an absurd question, and the answer surely must be yes. It is the aspiration of many people to become very rich, and no-one has the right to take away that dream from them. Moreover, a society that would make it very hard or even impossible for people to become very rich, would be a totalitarian society in which individual liberties are scarified for some dogmatic egalitarian idea.

Yet from a philosophical point of view, this reasoning is not at all obvious. The opposite view, called ‘limitarianism’, entails that, under certain societal conditions, it is not morally acceptable to be superrich. Limitarianism advocates a duty not to have more financial resources than what is needed for a fully flourishing life. Limitarianism considers riches to be the state in which one has more resources than what is needed for a fully flourishing life (so-called ‘surplus money’), and claims that if one has surplus money, then one is having too much. Limitarianism is a philosophical or political doctrine, just like egalitarianism, or the idea of meritocracy. Yet is it a plausible view?

Throughout the history of ideas, various views very similar to limitarianism have been proposed. For example, in the first book of Politics, Aristotle argues that the property that a man accumulates should not exceed what he needs in order to lead a virtuous life. Any additional wealth that a person accumulates cannot be morally justified. Other thinkers endorsed closely related views to limitarianism, although the view may have had a different name. So limitarianism is not a new view, but the current increased concentration of wealth in the hands of the superrich, as has been documented by welfare economists (Atkinson and Piketty 2010; Piketty 2013), puts the limitarian view firmly back on the contemporary agenda (Robeyns 2017).
In order to be a plausible political view for contemporary pluralist societies, an argument for limitarianism based on an Aristotelian account of virtue ethics is perhaps not the most convincing. However, other arguments for limitarianism can be derived from recent thinking in political philosophy – including a democratic argument, and an argument from unmet urgent needs.

**The democratic argument for limitarianism**

The first reason for limitarianism is that concentration of wealth undermines political equality and hence democracy. Political equality can mean different things, but widely-endorsed understandings are that all citizens should have equal procedural opportunities to influence political decision making, or that the preferences and interests of all citizens should receive an equal weight in political decision making. Those who have more money than what is required for a good life, can afford to spend it on mechanisms that turn economic privileges into political power (Christiano 2012). The superrich, in particular, have vast amounts of wealth which they can spend on buying political influence. Which are the mechanisms at work here?

First, rich people can fund political parties and individuals. Donations often come with the expectation that if the funder one day needs some help from the politician he or she will get it, which undermines political equality. The second mechanism for turning money into political influence is in using money to set the agenda for collective decision-making. If, as with the US presidential elections, the ability to raise funds is a crucial determinant in who will be the next candidate, and if wealthy people are more likely to be major donors, then political candidates who represent their interests are much more likely to be standing for office. Thirdly, money can be used to influence opinions. Rich people can buy media outlets, which they can use to control both the information flows and the arguments that are exchanged in public debate, which is increasingly important in contemporary democracies. Another increasingly important instrument for influencing opinions and political decision-making are lobbyists, whose services are costly. Fourthly, to the extent that rich people have their wealth concentrated in firms, they can undermine democratically chosen aims by using their economic power. This turns the power of capitalists into a feasibility-constraint for democratic policy-making. For example, if citizens have democratically decided that they want fewer greenhouse-gas emissions in their country, then major firms can threaten to shift polluting production to other countries if the democratically elected government were to impose stricter ecological emission regulation.

These are all mechanisms through which wealth undermines the political equality of citizens. Yet the political equality of citizens is the cornerstone of free societies: and it is the most basic principle of our democratic constitutions.
There is an obvious objection to the democratic argument for limitarianism. Surely one should be able to think of other solutions for preventing financial power being turned into political power than simply forcing rich people to get rid of their surplus money. For the democratic argument, the problem is the spillover of large economic inequalities into the political sphere; whether the economic inequalities are morally objectionable per se is something on which this particular argument has nothing to say, but which will be addressed by the second argument for limitarianism which will be presented below. For example, if the state would guarantee public radio and television in order to restore the balance of views and arguments in public debate, or implement proper campaign financing legislation, the money invested by the rich could no longer significantly affect politics. If that were possible, there would be no democratic reason left to regard surplus money as undesirable.

However, this objection is not strong enough to undermine the democratic argument. While some of these institutional measures are surely necessary for a healthy democracy, none of the solutions will restore political equality between rich and non-rich citizens. The reason for this is that much of the political influence of rich people escapes the workings of formal institutions, such as legislation and regulation. Even with these measures, rich people will still often have direct private access to government officials. Given the overall class stratification in society, rich people tend to know other rich people from the schools and colleges where they received their education, or from socializing in clubs where membership is only affordable to rich people. Money not only translates into economic capital and political power; it also translates into social capital. Class-stratified social capital accumulation can to some extent be limited by, for example, outlawing expensive and selective private education, or by using spatial politics to create mixed neighborhoods. But this can at best limit the accumulation of social capital according to lines of affluence and class. Imposing formal institutional mechanisms in order to break the impact of money on politics is thus feasible only to a limited extent. Large inequalities in income, and the possession of surplus money in particular, will always pose a risk for political equality, even in societies where those four mechanisms have been weakened as much as possible through institutional measures. Therefore, if we hold that the value of democracy, and political equality in particular, are cornerstones of just societies, then we have a reason to endorse limitarianism. However, note that this is only a prima facie reason – which means that it can be overridden by other, more important, reasons against limitarianism. One such reason against limitarianism – that it hurts the economy – will be examined below, but first we will look at a second prima facie reason for limitarianism.

The argument from unmet urgent needs
The second argument supporting limitarianism is the argument from unmet urgent needs. Take the following three types of unmet urgent needs. First, there are people suffering severe absolute poverty, undernourishment, or poverty-related illnesses in many countries in the world. Second, in all societies, including rich societies, there are people suffering from other types of significant disadvantages such as serious mental health problems or being socially excluded. Third, people everywhere are facing threats to local or global public goods such as deforestation or climate change. These three sets of unmet urgent needs could be addressed – at least partially - by interventions and policies that require financial means.

At present, there are urgent needs in all three categories that are unmet. Policies could be made to meet those needs at least to some extent, if more financial means were available. Yet, even if two of those groups of urgent needs were fully met, the third group of unmet urgent needs would still give us a reason why it would be morally wrong if some people could spend money which they do not need in order to have a high quality of life, while others are suffering or while ecological disasters are looming.

The argument from unmet urgent needs claims that since surplus money does not contribute to people’s flourishing, it has zero moral weight, and it would be unreasonable to reject the principle that we ought to use that money to meet these urgent unmet needs. The limitarian principle is thus supported by a modified version of Thomas Scanlon’s Rescue Principle, which states that “if you are presented with a situation in which you can prevent something very bad from happening, or alleviate someone’s dire plight, by making only a slight (or even moderate) sacrifice, then it would be wrong not to do so” (Scanlon 1998, 224). This is also closely related to Peter Singer’s famous defense of a version of the Rescue Principle (Singer 1972).

Limitarianism is less demanding than Singer and Scanlon’s principles since it only makes a claim about moral duties related to surplus money. It does not spell out which duties we have with regard to the money that we would use in order to flourish yet do not need to stay out of poverty – say, money we spend on learning the piano, or on taking a holiday. Under one widespread interpretation of Singer’s view, we ought not to spend that money on playing the piano or taking a holiday, but should send it to Oxfam. Such a radical principle suffers from overdemandingness: for example, it may require from us that we give up too much of what it means to be a human agent who has projects of her own. Limitarianism, in contrast, need not take a stance on our duties related to the money we possess that is not surplus money, and hence can be part of a comprehensive theory of justice or morality that is able to avoid overdemandingness.
Does limitarianism hurt the economy?

There are many objections to limitarianism, some of which have already been studied, while others still need further analysis (Robeyns 2017). Here we will only present one objection that is widely endorsed, namely that it would be detrimental to the economy if we were to design public institutions, such as wage legislation, property rights systems, inheritance law, and the fiscal system in such a way that there will be an upper limit on how much wealth one person can have.

Surely it must be the case that limitarianism entails a very strong disincentive for ambitious or almost-rich people to contribute more to the creation of the social product by working harder and innovating smarter? The consensus view among economists is that the so-called ‘optimal top marginal taxation rate’, which is the rate at which total tax revenues are maximized, is about 70 to 80%. If one further increases the top marginal taxation rate, the total tax revenues decrease. To the extent that limitarianism is conceived as a fiscal policy (and not as an ideal that should guide pre-distribution institutional design), limitarianism equals a top marginal taxation rate of 100% and hence it will not be tax revenue maximizing.

Note that the democratic argument is untouched by the fact that the optimal top marginal taxation rate is lower than 100%, since the democratic argument prioritizes political equality, not the meeting of unmet urgent needs which would demand a maximizing of tax revenue that can be used to meet those needs. Hence, if we only care about the value of political equality, we should not lower the top marginal taxation rate below 100% as long as the latter can be shown to lead to more political equality. In contrast, the argument from unmet urgent needs could be significantly undermined if the optimal top marginal taxation rate is lower than 100%. Since the grounding value is the meeting of the unmet urgent needs, the rational thing to do, as a matter of policy that is only concerned with the meeting of the unmet urgent needs, is to weaken limitarianism such that we raise maximal tax revenues. This shows is that there can be a tension between different reasons for limitarianism. As a consequence, we would need to decide, in each specific context, which argument is more weighty: the democratic argument or the unmet urgent needs argument. For example, one could hold that unequal political influence matters a lot, but that addressing urgent unmet needs trumps the democratic argument, and therefore choose the revenue-maximizing fiscal policy, rather than the strict limitarian fiscal policy. Moreover, there may be other reasons for limitarianism, which will require us to weigh different goals that citizens have.

Yet if we care more about meeting unmet urgent needs than about the damage done to political equality due to the effects of surplus money, then the fiscal policy that comes closest to the limitarian ideal should be the fiscal scheme that maximizes tax revenue. Yet this should not be regarded as a defeat of the limitarian view. First, limitarianism as a moral ideal would be unaffected,
and we should encourage a social ethos among those who, after taxation, still have surplus money, to give it away towards the meeting of unmet urgent needs. Second, we should investigate non-monetary incentive systems for avoiding the disincentive effects on the rich of high marginal taxations. In a culture where material gain is not the leading incentive, people may also work hard due to moral and political commitments, challenges they have set themselves, or intrinsic joys, esteem, or honor. We should thus not too quickly dismiss limitarianism based on the economic assumption that the only effective incentives to increase total production are financial incentives.

References
Scanlon, Thomas. 1998. What We Owe to Each Other. Cambridge, MA: Harvard University Press.