

Is the wage bargain in a capitalist labor market coercive if the worker is limited to a choice between unpalatable alternatives, for example, working at a low-paying job and starving? This is an old controversy which endures even in contemporary western economies where much of the work force is unionized and wage levels are more frequently set by bargaining than by markets. These workers have a choice between taking a well-paid (but still relatively unsatisfying) job and going on welfare (which is usually somewhat worse). In a recent polemic, C. B. Macpherson insists:

What distinguishes the capitalist economy from the simple exchange economy is the separation of capital and labour, that is, the existence of a labour force without its own sufficient capital and therefore without a choice as to whether to put its labour into the market or not. Professor Friedman would agree that where there is no choice there is coercion.¹

Robert Nozick disagrees:

Z [a worker] is faced with working or starving; the choices and actions of all other persons do not add up to providing Z with some other option. . . . Does Z choose to work voluntarily? . . . Z does choose to work voluntarily if the other individuals A through Y

1. C. B. Macpherson, "Elegant Tombstones: A Note on Friedman's Freedom," in *Democratic Theory* (Oxford: Oxford University, 1973), p. 146.

[capitalists and those workers who got the better jobs] each acted voluntarily *and within their rights*.²

Macpherson and Nozick disagree on at least two distinct points: whether workers in a capitalist economy actually do have sufficient access to capital and to jobs outside of the private sector so that their own wage bargain is uncoerced, and whether this wage bargain would be uncoerced even if workers had *no* such access. The first question is factual, the second more-or-less conceptual. In this paper I am mainly concerned with the second: I want to examine the nature of coercive relationships in order to determine what conditions would have to be satisfied for acceptance of a wage bargain to count as coerced.

Nozick's claim that *A* through *Y* coerce *Z* only if *they do not act within their rights* is striking in that it makes "coercion" out to be an essentially moral concept, in the sense that its conditions of application contain an ineliminable reference to moral rightness or wrongness.³ Note that if "coercion" did prove to be an essentially moral concept, then the enduring dispute over the coerciveness of capitalist wage proposals would be wholly parasitic on the prior moral question of those rights and wrongs, in particular, on the question of whether capitalist relations or production are morally acceptable on grounds of justice or utility.³ But this flies in the face of appearances. The dispute has endured so long and has generated so much heat because all the parties to it, socialists and laissez-faire liberals alike, have embraced the conviction that coercion is *prima facie* morally wrong, so that if capitalist wage bargains did involve coercion, that would be one moral strike against them. And the intuitive idea underlying this moral conviction is that coercion *undermines freedom*—this is what is ultimately *prima facie* morally wrong. To be sure, defenders of capitalism are perfectly prepared to argue that this economic system is morally acceptable and apologists to argue that it is not, but they have generally been under the impression that the

2. Robert Nozick, *Anarchy, State and Utopia* (New York: Basic Books, 1974), p. 263.

3. Some defenders of a moral account of coercion will object to setting the baseline, as Nozick does, exclusively in terms of prior rights, and will wish to include considerations of utility-maximization. I owe this observation to Daniel Lyons.

dispute over the *coerciveness* of capitalist relations of production is a dispute about freedom, not justice or utility. But if coercion were an essentially moral concept, then this would be mere appearance: the only real issue would be over those prior rights and wrongs. Once the battle is over, one would be in a position to say whether or not capitalist relations of production are coercive, but at that point who would care? The only real issue would already have been decided.

Of course, saving the appearances is not the only aim of a theory of coercion: it could turn out that the parties to the traditional dispute over the coerciveness of capitalist wage bargains are wrong and that the really fundamental issue is indeed justice or utility. In the course of scrutinizing the nature of coercive relationships I argue, however, that coercion is not an essentially moral concept,⁴ on the grounds that a moral condition of application does not link up in the right way with the underlying idea that coercion undermines freedom, and thus does not provide the right sort of explanation for its *prima facie* wrongness. This is one occasion, I think, when appearances are not deceiving.⁵

Nozick advances an essentially moral condition for coercion with the best of theoretical motives: he wants to account for the special quality of certain proposals which are welcomed by their recipients and which thus satisfy a plausible set of conditions for being counted as genuine offers, but which nonetheless seem coercive. I argue, how-

4. When I urge that "coercion" is not an essentially moral concept, I trust it is clear that I am making a more-or-less conceptual point and in no way denying that substantive moral judgments can be made about coercion. In fact, I am insisting on the conceptual point precisely because I believe that this is the only way to be clear about the basis of the substantive moral judgment.

5. Disputes have arisen over the essentially moral status of other concepts. Eric D'Arcy insists, for example, that an event Y *is a consequence of some person A's not doing X* only if "A (or people in A's position) ordinarily do X or A (or people in A's position) ought to do X," which makes "is a consequence of A's not doing X" an essentially moral concept at least part of the time. See D'Arcy, *Human Acts: An Essay on Their Moral Evaluation* (Oxford: Oxford University, 1957), pp. 47-49, 55. John Harris disputes this along lines which parallel my treatment of coercion. Commenting on a case where a bystander can easily help a drunkard who falls face downward in a puddle, he remarks that "it is not the existence of the duty that makes the death of the drunk a consequence of our failure to save him, rather it is the fact that unless we save him he will die that makes it our duty to save him." "The Marxist Critique of Violence," *Philosophy & Public Affairs* 3, no. 2 (Winter, 1974): 200.

ever, that with some elaboration of the non-moral framework for distinguishing threats from offers the phenomenon of “coercive offers” can be accommodated without any assumptions about prior rights and wrongs.

In Part I, I try to show why an essentially moral account of coercion is unsatisfactory; in Part II, I develop an essentially non-moral account of coercive offers, employing mainly non-economic examples to test my hypothesis; and in Part III, I apply this hypothesis to various capitalist wage offers.

I

To a first approximation, *P* coerces *Q* only if he changes the range of actions open to *Q* and this change makes *Q* considerably worse off than he would have been in some relevant baseline situation. Thus, in the standard highwayman case, *P*'s proposal, “Your money or your life,” counts as coercive (in part) because *P* changes *Q*'s range of options and because *Q* is considerably worse off in the “threat situation” in which he has to make a choice between keeping his money and keeping his life than he is in the “pre-threat situation” in which he can have both.

It is important to stress that *P* coerces *Q* into doing *A* only if the utility of *Q*'s doing *A* and not suffering the threatened consequences, *T*, is considerably greater than the utility of his not doing *A* and suffering them. Put formally, $(u(A \text{ and } \textit{not-T}) - u(\textit{not-A} \text{ and } T)) \geq n$, where *n* is the “coercion-utility threshold.” Just where this threshold lies is a good question. At the one extreme, there will be cases where the difference between the utilities of *Q*'s complying (and avoiding the proposed consequence) and his not complying (and suffering the proposed consequence) is so large that the proposal will clearly count as coercive. For example, if *Q* complies with the highwayman's proposal, he has clearly been coerced, since the loss of his life is so much worse than the loss of his money. At the other extreme, if *Q* complies with the proposal, “Your money or I'll tie your shoelaces together,” he is clearly not coerced since the difference between the utility of his complying and of his not complying is presumably negative, and thus smaller than the coercion-utility threshold, which has

a positive value.⁶ But suppose that *P* proposes, "Your \$199 or I'll throw ink on your \$200 white blazer." If *Q* complies, has he been coerced? He has been, only if the coercion-utility threshold is extremely low. My intuitions about this and similar cases are quite unclear, which is probably as it should be, since there is probably not much precision to be had here.⁷

By and large, threats involve coercion and offers do not: mainly because people do not like to be threatened whereas they do like to receive offers. So another way to pose the question about capitalist wage proposals is to ask whether the workers who accept them accede to threats or to offers. Nozick's treatment of coercion implies that only threats involve coercion, but it ought to be an open question whether or not there are also coercive offers, and whether or not certain wage proposals count as such.

6. But what if *Q* has a pathological fear of having his shoelaces tied together? Do we take his preference structure as a given and assess the coerciveness of the threat accordingly, or should we constrain the coercion-utility formula with an assumption about what the "rational person" strongly dislikes. Though questions about the rationality of the parties and about the credibility of threats and offers are important, I propose to ignore them here, since they are not central to my ultimate topic. When I speak of "necessary and sufficient" conditions for the coerciveness of a proposal let it be understood that I include whatever rationality and credibility conditions will turn out to be required.

7. Harry Frankfurt suggests that a proposal is coercive only if *Q* needs the good which *P* will grant only conditionally. ("Coercion and Moral Responsibility," in *Essays on Freedom of Action*, ed. T. Honderich [London: Routledge & Kegan Paul, 1973], p. 71.) But as Lyons points out, "Q's need for the benefit does not have to be reasonable and objective, like the need for food. . . . 'Needs' that come from sheer greed also ground threats of deprivation." "Welcome Threats and Coercive Offers," *Philosophy* 50 (1975): 427. The notion of need is, in other words, too elastic to provide us with a precise criterion for setting the coercion-utility threshold.

Similar problems, however, beset Lyons' own criterion for setting this threshold. He suggests that a proposal is coercive only if *P* gets much more than his "minimum transfer price," that is the lowest price which would persuade him to give up his *x* for *Q*'s *y*, whereas *Q* gets "hardly more" than his. ("Welcome Threats," pp. 427, 428.) But this does not yield any precise threshold, for two reasons: first, it does not tell us *how much higher* than *P*'s minimum transfer price and *how close* to *Q*'s the exchange must be before it is coercive, and second, there are problems much like those which plague the idea of need, that is, an individual's minimum transfer price may well change with circumstance.

It is curious that in his own application of the account of coercion to wage proposals in *Anarchy, State and Utopia* Nozick simply assumes that it is an essentially moral concept, for he himself suggests in an earlier essay that *P*'s proposal counts as a threat only if it makes the consequences of *Q*'s action considerably worse than they would have been in either the morally required or *the normally expected* course of events.⁸ This means that in some cases the coerciveness of a proposal can be determined independently of any prior rights and wrongs, the highwayman's, for example.

It is misleading, however, to characterize the morally neutral baseline, as Nozick does, in terms of what *P* does in *the normal course of events*, for other morally neutral baselines are possible and in some instances are more relevant. For example, the coerciveness of the highwayman's threat can be established quite independently of what he has ever done to his victim in the past. Here the relevant course of events is counterfactual, namely, *what Q would be able to do for himself if P had not made his proposal*. As Frankfurt points out, baselines focusing on what *P* normally does can sometimes yield counterintuitive results.⁹ They imply, for example, that a seller makes a coercive threat when he merely raises the price of his commodity. But surely, if *Q* can get a better price (from another seller, say, or by going outside of the market altogether), then the original proposal is merely unattractive, not coercive, whatever the seller does in the normal course of events.

However the morally neutral baseline is set, Nozick would still insist that the coerciveness of some proposals must be assessed in terms of a baseline set by the morally required course of events. One of his examples is that of a slave-owner who beats his slave every day (for no reason connected with the slave's behavior), and one day proposes that he will forgo the day's beating if the slave will perform some task which is disagreeable to the slave, but not as disagreeable as a beating.¹⁰ Reckoned against the normally expected course of events (the slave is beaten), this proposal counts as an offer. But

8. Nozick, "Coercion," in *Philosophy, Science and Method*, S. Morgenbesser et al. (New York: St. Martin's Press, 1969), p. 447.

9. Frankfurt, "Coercion and Moral Responsibility," pp. 68-71.

10. "Coercion," p. 450.

Nozick suggests—plausibly, I think—that there is something coercive about it, and his explanation is that the proposal should be assessed against a baseline set by the morally required course of events (the slave is not beaten every day, indeed he is not a slave). My question is whether this is the only way to accommodate our intuitions about the coerciveness of the slave-owner's proposal, indeed, of any proposal which counts as an offer when reckoned against the normally expected baseline but which nonetheless seems coercive.

I raise this question because it seems to me that there are powerful reasons for preferring a morally neutral account of coercion to the two-baseline account defended by Nozick and others.¹¹ For one thing, there are considerations of explanatory simplicity. Any account of the structure of coercion must provide the materials for an explanation of why coercion is *prima facie* wrong. To be sure, a proponent of the two-baseline view could explain this moral fact directly in terms of the prior wrong which moves Q from the morally required baseline, but this still leaves him with the burden of explaining why coercion is *prima facie* wrong in those cases where it is reckoned in terms of a baseline set by the normally expected course of events. In these cases, and there are many, there are no prior wrongs, so the explanation has to appeal to some non-moral feature of the relationship itself in its search for a wrong-making property. A two-baseline

11. Lyons also defends a two-baseline account of coercion, in "Welcome Threats and Coercive Offers," p. 436: "Ps offer counts as coercive if 1) P knows that Q is rationally reluctant to give y to P for x; and 2) Either Q knows that *he has a right to x from P on easier terms*, or Q knows that P would have given x to Q, on easier terms, if the chance had not arisen to trade x for y." Frankfurt defends an even more thoroughly moral account of coercion in "Coercion and Moral Responsibility," p. 71: "We find no element of threat in the butcher's proposal to raise his price as long as we suppose that he is not, in making this proposal, *taking improper advantage* of a situation in which he has the customer in his power." This makes P's wronging Q a necessary condition for the coerciveness of his proposal, from which it would follow that "coercion" is *always* an essentially moral notion. But there are straightforward counter-examples to this strong condition. The donor who threatens to cut off the funds he has been giving for years to a college unless the school admits more women, is making a coercive threat, even where his donation is non-obligatory, and where admission of more women is (we may suppose) in the interest of justice, and the donor thus does no wrong in exacting this price for his donation. (The example is from Lyons' "Welcome Threats," p. 431.)

account thus forces the theorist to produce two distinct explanations for prima facie wrongness.

Simplicity constraints aside, an essentially moral account of the structure of coercion does not yield the right sort of explanation of its prima facie wrongness, one which links up with the underlying idea that coercion is prima facie wrong because it undermines freedom. To bring out the problem more clearly, let us reflect on unfreedom in general. There are two sorts of theories of unfreedom. On an *unavoidability* account, an agent is unfree to perform (to refrain from performing) an act only if he would not perform it (would perform it) even *if he wanted* to do so (wanted to refrain from doing so). On what we might call a *want-frustration* account, an agent is unfree to perform (to refrain from performing) an act only if his *actual* desire to perform (to refrain from performing) the act is frustrated. I will not try to adjudicate between these accounts here since they have enough in common to be considered together: each explains unfreedom in terms of frustrated desire (only the modality of the desires differs). Coercion has always been a mild embarrassment for accounts of unfreedom of this kind, for the victim of coercion does in fact do what he most wants to do under the circumstances. Not being suicidally inclined, the highwayman's victim, for example, does have an overriding desire to hand over his money once he is in the threat situation. What he does not want is to face a disjunctive choice between his money and his life at all, and this is the frustrated desire which establishes the unfreedom of his action.

It is somewhat misleading, therefore, to analyze coercion solely in terms of whether or not the move from pre-proposal to proposal situation makes Q considerably worse off, because this does not bring out explicitly the connection between the structure of coercion and unfreedom. The more important (as well as more basic) feature is that Q *strongly desires* not making the move. Nozick himself implies as much when he talks about situations in which the morally required and normally expected baselines diverge. Sometimes the first takes precedence in determining the status of a proposal, as in the slave-owner case, but this will not always be so. In another case Nozick considers, a drug supplier proposes that he will give an addict the dose he usually sells him for \$20, only if the addict will, in addi-

tion, perform some disagreeable task. In the normally expected course of events, this supplier sells the addict the dose for \$20; in the morally required course of events (we shall suppose), he supplies no drug. Nozick suggests that the proposal is a threat. This time the baseline established by the normally expected, *not* the morally required, course of events takes precedence. Why? Nozick suggests that this is determined by *Q's preferences*.¹² In general, a proposal is an offer only if *Q* prefers moving from the "pre-proposal situation" to the "proposal situation"; it is a threat if *Q* strongly prefers not making this move. And, where the morally required and normally expected baselines diverge, the relevant pre-proposal situation is also picked out by *Q's preferences*. The slave prefers the morally required course of events (he is not beaten at all) to the normally expected course of events (he is beaten); whereas the addict (we may suppose) prefers the normally expected course of events (he gets his dose for \$20) to the morally required course of events (he is not an addict). In each instance, it is the victim's preference which determines which pre-proposal situation determines the status of the proposal itself, and it is the frustration of this preference which makes acquiescence to the proposal a case of unfreedom.

Now, why should rendering another unfree in this manner be counted as *prima facie* wrong? As one might imagine, this is a very long story, but we need at least an outline here. One normative rationale for this claim is utilitarian in spirit, the other Kantian. For the utilitarian, desire frustration *per se* is *prima facie* wrong, therefore it is *prima facie* wrong for *P* to change *Q's* situation in a way which makes it impossible for him to satisfy his desire to remain in the pre-proposal situation. Some utilitarians may wish to impose certain standards of rationality on the desires which count in the calculus of freedom. The stronger these constraints are, the closer the utilitarian explanation for the *prima facie* wrongness of coercion comes to the Kantian, but even at the limit there is still a difference in emphasis. For the Kantian, it is not so much desire-frustration *per se* which makes coercion wrong, but rather the failure to acknowledge the victim's full status as a rational being. This failure is clearest in situations where an alternative method for securing the victim's com-

12. "Coercion," p. 451.

pliance, such as persuasion, is available. To be sure, one who coerces does take into account his victim's capacity for rational calculation of the economic sort. After all, many non-human animals are capable of calculating the best means to attain their ends when presented with a problem, and one can certainly coerce such animals. But when one human being coerces another there is an aspect of the other's rationality which he fails to acknowledge, namely the other's capacity to set his own ends and to consider reasons for action which go beyond the most immediate sanctions imposed in the threat situation. Instead, one who coerces uses the victim's preference structure as a mere means for the attainment of his own ends.¹³

If either or both of these features are what make coercion *prima facie* wrong, because it involves frustration of the victim's desire to remain in the pre-threat situation or involves a use of his preference structure as a mere means, then one can begin to see why an account of the structure of coercion in terms of the morally required baseline is unsatisfactory. On Nozick's account, the slave-owner's proposal counts as coercive in part because he has a prior obligation to refrain, without conditions, from beating the slave. This invites an explanation of the wrongness of his proposal directly in terms of the violation of this prior obligation: what he should give unconditionally he gives only conditionally. But this explanation makes no explicit reference to the non-moral features which figure in the utilitarian and Kantian accounts of the *prima facie* wrongness of the coercion itself. To be sure, utilitarian and Kantian reasons can be given for why the slave-owner ought to refrain unconditionally from beating the slave, but it is one thing to say his proposal is coercive because he *violates a prior obligation*, which is itself grounded in either utilitarian or Kantian reasons, and quite another to say that his act of coercing the slave is wrong because it has *those non-moral*

13. As an editor of *Philosophy & Public Affairs* pointed out, this is to ignore paternalistic coercion of those who are irrational with respect to their own ends, a form of coercion which certainly does not involve use of the coerced person's preference structure as a mere means. I shall not try here to discuss the Kantian's attitude toward paternalistic coercion, except to note that where the breakdown of an agent's capacity for rational choice is extreme, no reasonable Kantian would claim that coercion violates personal autonomy. Where it is less extreme, there is, of course, considerable controversy.

features which figure in the utilitarian and Kantian principles. Only the second explanation makes explicit reference to the relevant non-moral features, therefore only the second tells us what it is about coercion that makes it *prima facie* wrong.¹⁴

II

In developing a completely non-moral account of coercion, the main task is to accommodate intuitions about the coerciveness of proposals like the slave-owner's, which count as offers when reckoned in terms of the normally expected course of events, but to do this in a way which has no recourse to a moral baseline set by prior rights and wrongs. My suggestion is that we retain the normally expected course of events as the relevant pre-proposal situation in *all* cases,¹⁵ and then broaden the framework as follows to account for the coerciveness of certain offers. The slave does in fact prefer to move from the pre-proposal situation in which he is beaten every day to the proposal situation in which he is spared the customary beating for performing

14. A moral element might enter the concept of "coercion" from another direction. Where Q has been threatened with a sanction if he does not perform some action, it is easier for him to plead duress if the action is lying than if it is homicide, and easier still if the action involves no violation of a moral obligation. One way to explain this fact would be to include the violation of the obligation in the calculation of utility in the formula, $(u(A \text{ and } \textit{not-T}) - u(\textit{not-A} \text{ and } T)) \geq n$, with the result that the value of the formula would go down as the stringency of the obligation (and thus the "disutility" of its violation) goes up. As the value of the formula went down, it would eventually dip below the coercion-utility-threshold, which would explain why a person who lies under threat of sanction can plead duress, but a person who kills may not: only the first is actually coerced. Note that this explanation makes "coercion" an essentially moral concept, since it makes reference to Q's prior moral obligations. The question is whether there is any other, equally natural explanation which avoids this result. I think there is. We can just as easily say that Q is coerced in all three cases, that the existence or stringency of his obligation not to do A does not figure into the conditions determining whether or not he is coerced. It is easier for Q to plead duress where the obligation is weak or non-existent *because he has no countervailing obligation not to*. On the first explanation, Q is not coerced at all if his prior obligation is stringent enough; on the second, he is coerced but he has a prior obligation to resist.

15. Modulo qualifications as to what counts as the relevant morally neutral baseline. See p. 126.

the disagreeable task, so let us concede, for the sake of theoretical uniformity, that the slave-owner is making a genuine offer. We can account for its being a coercive offer by bringing into the picture an *alternative pre-proposal situation* which the slave strongly prefers to the actual one. This suggests a hypothesis: an offer is coercive only if Q would prefer to move from the normally expected pre-proposal situation to the proposal situation, *but he would strongly prefer even more to move from the actual pre-proposal situation to some alternative pre-proposal situation*. The slave, for example, would strongly prefer not being a slave to having a choice between being beaten and being spared a beating for performing a disagreeable task.

Now this hypothesis obviously will not do as it stands, for there are no doubt many alternative pre-proposal situations Q would strongly prefer to the actual one, but not all of them can be relevant in establishing the coerciveness of P's proposal. The theoretical task, then, is to come up with some way of limiting this range to take the place of Nozick's reliance on the morally required course of events.

First, there has to be some kind of *feasibility* condition: in assessing the coerciveness of offers, we do not need to take into account alternative pre-proposal situations which are *not possible*, historically, economically, technologically, or the like, however much Q prefers them to the actual pre-proposal situation. When set in terms of what is *historically* or *technologically* possible, this condition is intuitively obvious, it looks trivial in fact, but it does have genuinely interesting implications when applied to various capitalist wage proposals, as we shall see in the next section.

When set in terms of *economic* possibilities, however, the feasibility condition raises questions. For example, if P can improve the terms of his proposal only at great cost to himself, should this be taken into account in estimating the feasibility of the alternative pre-proposal situation Q highly prefers? Cost to P clearly does not always affect feasibility. The slave-owner, for example, would suffer a great loss if he were to free the slave, but even though emancipation would take him far below his "minimum transfer price," it is feasible nonetheless. Since I am trying to work out a *non-moral* account of the structure of coercion, it will not do to explain this situation in terms of the slave-owner's moral obligation to free the slave. My problem is

to determine when *P*'s costs render an alternative pre-proposal situation unfeasible *without* making any appeal to what it would be obligatory or supererogatory for him to do.

I suggest that *P*'s costs do count against feasibility when his role in the unavailability of the pre-proposal situation *Q* highly prefers is merely one of *not giving* *Q* what he needs to gain it, and that *P*'s costs do not count against feasibility when he plays an active role in *preventing* *Q* from gaining it. There is an independent rationale for insisting on this distinction, in any event, for a coercive offer is not merely an extremely unattractive offer which *Q* cannot afford to refuse: it is all-important *how* *Q* came to be in such a vulnerable position. I would claim that for *P*'s offer to be genuinely coercive it must be the case that *he actively prevents Q from being in the alternative pre-proposal situation Q strongly prefers.*

Consider the difference between these two cases.¹⁶ *A* kidnaps *Q*, brings him to the island where *A*'s factory is located and abandons him on the beach. All the jobs in *A*'s factory are considerably worse than those available to *Q* on the mainland. The next day *A* approaches *Q* with the proposal "Take one of the jobs in my factory and I won't let you starve." Coercive or uncoercive? *B* also owns a factory (the only other one) on the island, in which the jobs are just as bad. Seeing *Q*'s plight, he beats *A* to the scene and makes the same kind of proposal. Coercive or uncoercive? Let us concede that both *A* and *B* make genuine offers, for in each case *Q* would presumably prefer to go from the actual pre-proposal situation in which he starves on the beach to the proposal situation in which he has a choice between working at a terrible job or starving. Let us also concede that both *A* and *B* exploit *Q*'s misfortune by offering such bad terms. (Whether their terms are unfair we can leave to the theory of justice.) The question is whether they both coerce *Q*.

Some philosophers are inclined to think that exploiting another's misfortune by extracting a commitment from him on grossly unfavorable terms is a form of coercion. Frankfurt, for example, claims that *P* coerces *Q* if he "exploits his dependency and need."¹⁷ And Lyons claims that "*P* used his superior bargaining power to force *Q* into a

16. I owe these cases to Stephen Stich.

17. "Coercion and Moral Responsibility," p. 71.

hard bargain whenever the y which P got from Q is worth far more than the minimum transfer price required to persuade P to give up x , while Q got hardly more than his minimum transfer price.”¹⁸ I would claim, on the other hand, that only A makes a coercive offer. The intuitive idea underlying coercion is that *the person who does the coercing undermines, or limits the freedom* of the person who is coerced, so coercing goes beyond exploiting, however morally objectionable the latter may be. If the island wage-level is unfairly low, then B wrongs the dependent Q in only one way: he offers him an exploitive wage. But A wrongs him in two ways: first, he places Q in a dependent position where he is vulnerable to exploitation, and then he offers him an exploitive wage.

The inclination to think that exploitation is a form of coercion may spring from any of several considerations, but none is conclusive. First, as Frankfurt and others¹⁹ have pointed out, the person facing non-human obstacles is, for all practical purposes, as unfree as one facing human obstacles. Only A actually renders Q unfree to seek a non-exploitive wage on the mainland, but Q would have been just as unfree to seek a better wage offer if he had been washed ashore by a storm instead of having been kidnapped. This is true enough, but the question under dispute is whether *capitalists* coerce workers into accepting certain wage proposals, and to answer it we need to produce a set of truth conditions for “ P coerces Q ,” not just for “ Q is unfree with respect to certain obstacles.” The question is whether capitalists render workers unfree, so the distinction between human and non-human obstacles is of the essence.

Second, commitments made to exploiters are often (always?) as void as those made under duress.²⁰ If P throws Q into the water and then offers to save Q (where he can do so at relatively little cost to himself) only if Q promises to give him his life savings afterwards, the offer is coercive and the promise void. If P just happens upon the

18. “Welcome Threats,” p. 428.

19. Frankfurt, “Coercion and Moral Responsibility,” p. 83. Also G. A. Cohen, “Robert Nozick and Wilt Chamberlain: How Patterns Preserve Liberty,” in *Justice and Economic Distribution*, ed. J. Arthur and W. H. Shaw (Englewood Cliffs, N.J.: Prentice-Hall, 1978), p. 259.

20. Lyons, personal communication.

scene, sees Q drowning, and offers to rescue him on exactly the same terms, Q's promise is probably just as void, morally speaking anyway, since P's offer is so grossly exploitive. But it does not follow from just this that P has coerced Q.

Third, the inclination to think that exploitation is a form of coercion may arise from the moral conviction that under certain circumstances *not helping* is just as bad as *harming*. If P throws Q into the water he places Q's life in danger, thereby harming him. If P' just happens along and refrains from rescuing the drowning Q, he fails to help him. It may be, as some philosophers claim, that P' is as culpable as P, but it does not follow from this alone that exploitation is a form of coercion.²¹ What would follow is that the distinction is not of much moral significance, for example, that island factory owner B is just as culpable for exploiting Q instead of helping him get back to the mainland as island factory owner A is for kidnapping Q in the first place and then exploiting him. But tackling the question about harming versus not helping would take us back to the question of prior rights and wrongs of capitalist relations of production without taking us deeper into the concept of coercion per se.

The prevention condition also helps to explain why certain other offers seem coercive. Here are two cases which puzzle Lyons. Suppose P has owed Q a sum of money for so long that Q despairs ever seeing it again. Making one last attempt, Q pleads with P to repay him. P has some disagreeable task he wants done, and proposes to give Q the money on the condition that Q perform the task. If the task is not quite so disagreeable as being without the money, then this counts as an offer. Or, suppose that P is a dictator who wants his subjects to perform a series of disagreeable tasks. To get leverage, he takes away all their civil rights and liberties, and then doles them out gradually as a series of conditional privileges. Again, if the tasks are less disagreeable than the lack of civil rights and liberties, then this too is an offer. Lyons suggests that the way to explain the coerciveness of these two offers is in terms of what P *should* do in each case, in

21. The literature on the relative moral weights of harming versus not helping is large. For a useful selection, see *Killing and Letting Die*, ed. Bonnie Steinbock (Englewood Cliffs, N.J.: Prentice-Hall, 1980).

other words, in terms of the baseline set by the morally required course of events.²² But this is not the only available explanation. I suggest that each offer is to be counted as coercive (in part) because *P* prevents *Q* from having, indeed literally removes *Q* from, his highly preferred alternative pre-proposal situation.²³

Actual removal is not necessary for satisfaction of the prevention condition, it is just a particularly dramatic way for *P* to prevent *Q* from having the pre-proposal situation he wants. This condition is satisfied as long as *Q* *would have enjoyed* his highly preferred pre-proposal situation but for the obstacles *P* erects. For example, the slave-owner's proposal counts as coercive even if he did not do the original enslaving, as long as he prevents the slave from freeing himself. And consider a variation on the drowning man case. Suppose that

22. "Welcome Threats," pp. 433-436. Lyons also considers the case of *P*, a working wife, who rebuts the charge of coercing *Q*, her cleaning lady, into working for low wages, by pointing out that she is not taking unfair advantage of *Q*'s necessity since *Q* would not be able to get as good a job elsewhere if *P* did not hire her. ("Welcome Threats," p. 429.) The reference to unfairness is unnecessary for *P*'s rebuttal, however. All she has to point out is that she is not preventing *Q* from getting a higher wage elsewhere (in part because there is no higher wage to be had).

23. An editor of *Philosophy & Public Affairs*, evidently with some doubts about my non-moral account, suggested this interesting pair of cases:

- (1) *Q* needs a car very much. He cannot earn a living without one. He scrimps and borrows to buy one and uses it for many years until *P* steals it. *P* then offers to give it back provided that *Q* will perform some moderately disagreeable task.
- (2) Same as above, except that *Q* instead of buying a car steals one of *P*'s (he has many). After many years *P* finds it and takes it back. *P* then makes the same offer as in case 1.

In each case *P* removes *Q* from the pre-pre-proposal situation the latter strongly prefers. I take it that the offer in case (1) is uncontroversially coercive (it is like the Lyons cases), and that the challenge to a non-moral account of coercion is supposed to come from case (2). The only salient difference between the two cases is moral: in case (2) *P* is within his rights in taking the car, whereas in case (1) he is not. The question, of course, is whether this moral difference makes for a difference in the status of the two offers. I, for one, am just not sure about this: my intuitions about case (2) are not all that definite. Moreover, even if one's intuitions are that *P*'s offer in case (2) is non-coercive, this is not conclusive, if the theoretical considerations advanced on pp. 129-130 above are sound. If the non-moral account of coercion does provide the best explanation for its prima facie wrongness, then some intuitions (but not too many) may have to yield.

P, knowing that *Q* is going boating and cannot swim, removes the life-jacket from its compartment. If *Q*'s boat then capsizes, *P*'s offer to perform a relatively low-cost rescue in return for *Q*'s life savings ought to count as coercive even though *P* did not actually throw *Q* into the water.

Questions can be raised, however, about just what counts as preventing *Q* from having the pre-proposal situation he prefers. Suppose *P* quietly corners the market in penicillin and then offers to sell some to the infected *Q* at an outrageously high price. Is this just a case of monopolistic exploitation, or is *P* to be counted as preventing *Q* from having any of the commodity on better terms, and therefore as coercing him? I am inclined to say that this monopolist does coerce his customer. Contrast this with a case of "natural monopoly" in which all the penicillin in the world, except for *P*'s, is simultaneously destroyed through no action of *P*, and he then charges the same outrageously high price. Here I am inclined to say that *P* exploits but does not coerce his customer.

Does the coerciveness of an offer depend at all on the *intention* with which *P* prevents *Q* from having the alternative pre-proposal situation he strongly prefers? Consider a pair of non-economic cases. Prosecutor *A* believes he has a very strong case so he brings a charge of trafficking in heroin against *Q*. It then occurs to him that he would be able to get valuable information from *Q* if he offered to let him plead guilty to the lesser charge of possession in return for his giving evidence against his accomplices. So *A* offers the plea-bargain. Prosecutor *B*, on the other hand, believes he has a weak case on both the stronger and lesser charges. But he knows that *Q* does not know just how weak, so he also brings the stronger charge initially, with the intention of using it to scare *Q* into accepting his offer to let *Q* plead guilty to a lesser charge. Both prosecutors make an offer, since *Q* would undoubtedly prefer to face the lesser charge of possession, but my intuitions are that only *B*'s offer is coercive. Both prosecutors initially bring the stronger charge and thereby prevent *Q* from being in the pre-proposal situation he strongly prefers, namely not being up against a charge at all, but only *B* does this with the intention of rendering *Q* vulnerable to the eventual plea-bargain; *A* does it because he knows he can sustain the stronger charge. If my intuition about

the coerciveness of *B*'s offer is correct, then an independent intention condition is required in some (all?) cases, since this seems to be the only salient difference between the two cases. To be sure, there is also a difference in what the prosecutors would have done in some baseline situation: *A* would have brought the stronger charge anyway and *B* would not. But these counterfactual states of affairs cannot be identified without reference to *A*'s and *B*'s intentions: *A* would have brought the stronger charge *even if* he had not intended to make *Q* vulnerable to his offer, whereas *B* would have brought it *only if* he had so intended.²⁴

III

My guess is that imposing the feasibility and prevention conditions would sufficiently narrow down the range of highly preferred pre-proposal situations in those cases where some question can be raised about the coerciveness of an offer. But, rather than try to establish this general thesis here, I prefer to bring the discussion back to the question with which we began. How does my hypothesis, qualified by just these conditions, apply to various capitalist wage proposals? Some no doubt will think it obvious that the conditions apply to actual capitalist wage proposals, others will think it obvious that they do not. Since I am concerned here mainly with determining what conditions would have to hold in order for a wage proposal to count as coercive, I will not try to settle the complex and contentious empirical issues which arise in attempting to decide whether actual wage proposals are coercive, but shall pursue instead the more modest objective of trying to indicate what the fulfillment of the conditions entering into this hypothesis would look like, whether or not they are actually fulfilled in the actual economic world.

There is no one capitalist wage proposal, and I do not just mean

24. The prosecutor cases would appear to be counterexamples to Frankfurt's insistence that *P*'s intentions are *always irrelevant* in assessing the coerciveness of his proposal. ("Coercion and Moral Responsibility," p. 84.) I myself am unclear whether *P*'s intention to render *Q* vulnerable to his proposal is *always necessary* for its coerciveness and, if not, why it should be required in some cases but not in others. (Note that Nozick does require an intention condition. "Coercion," p. 442.)

that the terms change in the short run as market conditions or bargaining positions shift. Even though pure market-capitalism probably existed only in the dreams of classical liberals, capitalist relations of production and allocation have changed immensely in the last two hundred years or so. The basic trends are familiar: *away* from small-scale producers and distributors *to* large, increasingly transnational, corporations; *away* from anything resembling pure competition in markets for capital and consumer goods *to* a considerable amount of vertical planning within the firm; *away* from anything resembling the “night-watchman state” of nineteenth-century liberalism *to* a considerable amount of governmental involvement in fiscal and monetary policy, and in capitalist countries like Sweden, Germany, and France, *to* a fair amount of central planning and control of investment policy; and for much, though by no means all, of the labor force, a trend *away* from individual contracts in the labor market *to* the collective bargain between union and management.

All of these trends, especially the last, have drastically affected the terms of the wage bargain directly or indirectly, but I presume that most, if not all, capitalist wage proposals have been genuine offers. Consider the worst and best cases. Under early market-capitalism, especially where there was a “reserve army of the unemployed,” a worker had to choose between taking a miserable job, often in a sweatshop or mill of the worst sort, and living on the margin of urban society, perhaps literally starving. I presume that the recipient of a wage proposal under these conditions would count himself lucky. Under advanced welfare-capitalism, by contrast, the choice is typically between accepting a contract which provides a considerably better paid job, under considerably better working conditions, with some job security and some fringe benefits, and going on welfare, which for most workers would be much worse financially and emotionally. I presume that these workers too would want to move from the pre-proposal to the proposal situation.²⁵

In the quotation with which we began, Nozick insists on two points:

25. It will not do, however, to forget that many workers in advanced industrial societies are not organized and live on the margin in relative poverty, for example, many migrant workers in the United States and Canada, and the *Gastarbeiter* in Western Europe.

that workers do have access to capital (though they have tended not to exploit it by creating their own enterprises), and that the whole question of access is irrelevant to the question of whether capitalist wage offers are coercive. But he insists upon the irrelevance of access because he also maintains that the coerciveness of wage bargains is to be assessed in terms of an essentially moral account of coercion. If coercion is an essentially non-moral concept, as I have been arguing, however, then the question of access is crucial. To be sure, Nozick is surely right to insist that the existence of a public sector, however small and insignificant, does not in itself affect the coerciveness or the exploitiveness of offers in the private sector.²⁶ But I am not denying this. Whether capitalist wage offers are coercive or not depends on whether an alternative pre-proposal situation is feasible *which is sufficiently better* than the terms of the actual wage offer *and* which capitalists prevent workers from having.

Whether such alternatives are indeed feasible is, as one might imagine, an immensely complex and controversial empirical question. The main alternative pre-proposal situations *outside* the capitalist framework are various kinds of cooperative and communal enterprises. Let us consider two examples, rural communes at the dawn of capitalism and socialism in an industrial setting. One need not be a

26. In the quote with which we begin, Macpherson insists the workers' non-access to the means of production is what makes capitalist wage proposals coercive. Nozick offers a slippery-slope argument in response. Suppose that the private sector expands and that wages rise, to a point where the public sector makes up a small and insignificant part of the total economy. Suppose that the public sector then disappears completely. Will there be, Nozick asks, any concomitant change in the private sector? Obviously not. So the absence of a public sector *per se* cannot force the worker to accept the capitalist wage bargain. (*Anarchy, State and Utopia*, p. 254).

This argument is not responsive to Macpherson's underlying worry, however. To be sure, the mere existence of a public sector, however insignificant in size, cannot be what opens up free choice in the labor market; it has to be a public sector which changes the terms of the wage bargain. And for the terms to be changed significantly there must be a large and coordinated public sector, which can employ economies of scale, command capital markets, compete successfully with a sector which may collusively try to depress wage levels in the interests of increased profits, and so on. If the terms are changed in this way, the coerciveness of the wage bargain can be reckoned against the background of a counterfactual socialist alternative, with just such a large public sector. But then the slippery-slope argument fails.

hopeless romantic to suppose that early in the process of capital accumulation in eighteenth-century Europe the recently urbanized working class, crowded as it was into the “dark satanic mills,” had in fact been better off in the countryside before the enclosure movement and the destruction of communal village life.²⁷ As long as there were still some viable rural institutions to go back to, and provided that the capitalist class prevented a return to them, a preferred pre-proposal situation was truly available, and the wage bargain would thus count as coercive. On the other hand; one need not be totally naive about how much wealth trickles down the economic hierarchy to suppose that there was some point in the history of capitalism when productivity had increased to such a degree that some segments of the working class were better off than they would have been if the communal life of the countryside had survived, *and* better off than they would have been if they had made a (premature) attempt to socialize the means of production, before the emergence of those economic, social, and political conditions necessary for the creation of an industrial socialism. Under these intermediate conditions, the wage bargain would not be coercive, at least not when measured in terms of alternative pre-proposal situations outside the capitalist framework, since none was available.²⁸

Considering the question of access *within* the capitalist framework, I would argue that it has generally been possible for capitalists to improve in some measure the terms of their wage offers even without increases in the level of productivity. But the real question is whether they could improve the terms *enough* so that the alternative pre-proposal situation would be *sufficiently more attractive* than the actual offer to make the latter coercive. As the condition of the working class has improved—for its more privileged segments, anyway—it may be

27. For a sensitive treatment of the costs of early capitalism, see E. P. Thompson, *The Making of the English Working Class* (New York: Pantheon, 1963).

28. There are diachronic complications. Suppose that the capitalist wage offered at time t brings a lower level of welfare than is available in some alternative pre-proposal situation feasible at that time, but that capitalism is, as Marx himself thought, a necessary stage on the way to a socialist economy in which workers would be much better off than they would be in this feasible contemporary alternative system. Are they coerced at time t ? Maybe only if they are indifferent to the welfare of future proletarian generations.

that a sufficiently better alternative pre-proposal situation would be available only outside of the capitalist framework altogether.

It is an understatement to say that opinions differ on the feasibility of the sort of socialism relevant here: in which there would be meaningful workers' control of the work place and the firm, constrained and balanced by comprehensive social planning of investment; in which there would be a sensible, productive and human mix of plan and market, of large- and small-scale enterprise; and in which the social emphasis would be on the fulfillment of human need rather than private enrichment. I shall content myself with a conditional claim: *if* such a "socialism with a human face" is feasible, then one crucial condition for the coerciveness of capitalist wage bargains, even relatively favorable ones, would be satisfied.

Note that a capitalist wage offer in a purely (or nearly) competitive market where a socialist alternative is feasible would be coercive only if we set the alternative pre-proposal situation by subtracting the *act-type* "offering the market wage." If we consider instead whether the worker would be better off in an alternative pre-proposal situation obtained by subtracting *this* capitalist's *act-token*, then it would not be. In a perfectly competitive market, all wage offers (for the same type of work) would be the same, so the worker's choice would be exactly the same, "work for this wage or suffer an undesirable consequence," and the proposal would be a *non-coercive* offer. Nozick suggests that it is more reasonable to assess some proposals against the baseline obtained by subtracting the *act-token*. For example, if we assess the status of the proposal "if you do that, I will punish you" against a baseline obtained by subtracting the *act-type* of punishing, then, as Nozick asks, "who knows what the world would be like if there were no punishment for crimes?"²⁹ The proposal might turn out to be an offer, which is immensely implausible. But if we assess it against the background obtained by subtracting the *act-token* of punishing in this instance, then the proposal is a threat, as it should be. It is hard to tell, however, whether Nozick is making a general theoretical point here, or simply handling a single case in the most plausible way. The only objection he raises against type-

29. "Coercion," p. 451.

subtraction is epistemological, but if we are in a position to say what the world would be like without a certain type of action, then there is no reason for not assessing the status of proposals against a baseline obtained by type-subtraction. I do not claim to know what the world would be like if we subtracted the capitalist wage bargain, but then my aim here is not to determine whether or not a genuine socialist alternative is indeed possible, only to determine what would have to be the case for the capitalist wage bargain to be coercive.

If individual wage offers count as coercive only when reckoned against a baseline set by subtracting an act-type, then part of the traditional Marxist emphasis on *class* relations of production is justified. But only part. Marxists tend to insist that social classes are the genuine agents of social stasis and social change. But this strong thesis does not emerge just from an account of coercion which requires type-subtraction for this can stand as an account of when individual capitalist *P* coerces individual worker *Q*. The stronger thesis is supported, however, when we consider how the *prevention* condition applies to relations of production. A wage offer is coercive only if capitalists prevent workers from having the pre-proposal situation(s) they strongly prefer. Various actions and policies within the capitalist framework would count as preventing, and it is clear that most of the important ones involve *collective* activity, coordinated in one degree or another. (Just how much coordination is required for the satisfaction of the prevention condition is not clear.) For example, capitalists might attempt to depress wage levels by union-busting, or by actively lobbying for "right to work" legislation, or, more subtly, by threatening to move their plants to neighboring regions, or even overseas, where unions are already weak or non-existent.³⁰ They might oppose an improvement of working conditions by resisting anti-pollution or safety-device regulations. More radically, they might resist attempts to create alternative enterprises outside the capitalist framework. A recent instance of this is the difficulty encountered by a group of workers and local supporters in Youngstown, Ohio who attempted to buy Youngstown

30. For an excellent account of some of these methods of prevention in a contemporary setting, see Richard J. Barnett and Ronald E. Miller, *Global Reach: The Power of the Multinational Corporations* (New York: Simon and Schuster, 1974), esp. chap. 11, "The Obsolescence of American Labor."

Steel from the conglomerate which had just decided to liquidate the plant and pull out, abandoning thousands to abrupt unemployment. Even though a feasibility study had indicated the essential viability of the enterprise, the group found capital markets closed to them, and a promising project has languished.³¹

It might be claimed that this is less a matter of preventing the emergence of a non-capitalist alternative than simply one of *not providing* the necessary resources, less a matter of capitalist interests harming their non-capitalist competitors than simply of *not helping* them. This raises difficult issues which I will not try to tackle here. Again, I will rest satisfied with a conditional claim: *if* this kind of discretionary control of capital resources counts as preventing the emergence of an alternative non-capitalist pre-proposal situation, then one condition for the coerciveness of capitalist wage proposals is satisfied, but if instead it is a case of not helping a potential competitor, then these wage proposals are, at most, exploitive.³²

Macpherson is right to insist that non-access to better terms is part of what makes a wage bargain coercive, but he is wrong to suggest that it is sufficient. And though Nozick has made a significant contribution to our understanding of the structure of coercive relationships, he is wrong to suppose that the coerciveness of capitalist wage proposals turns on the question of prior rights and wrongs. What I have tried to do here is work out a non-moral account of coercion which can be used to settle at least the conceptual side of the enduring dispute. Capitalist wage proposals generally do count as genuine offers, because workers generally do want to make the move from actual pre-proposal situations, even the relatively prosperous ones available in a welfare state, to the proposal situations capitalists make available. And a wage offer counts as coercive if and only if (1) an alternative

31. This happened, it might be noted, a bare year or so before the multi-million dollar bail-out of the demonstrably incompetent managers of the Chrysler Corporation. Enterprise, it would appear, is not always what is rewarded.

32. I add the qualifier because not all failures to help will count as exploitation. For one thing, the potential beneficiary must be badly off and in much need. In any event, I am not aiming at an account of exploitation, so I will rest satisfied with the sketchy remarks about the two island cases on p. 133.

pre-proposal situation workers would strongly prefer to the actual one is technologically and economically feasible when the offer is made, and (2) capitalists prevent workers from having at least one of these feasible alternative pre-proposal situations.³³

This account leaves many empirical and moral issues open. As acknowledged throughout Part III, I make no real attempt to determine whether or not these conditions are actually satisfied in the real world of capitalist relations of production. If they are satisfied, and if the common conviction that coercion is *prima facie* wrong is sound, then the most that follows from my account is that capitalist wage offers are *prima facie* wrong. It would take a lot more discussion to determine whether they are wrong *all things considered*.

33. When I speak of jointly sufficient conditions here, the reader should keep in mind that I am assuming the satisfaction of whatever rationality and credibility conditions might also be needed. See fn. 6. In fn. 24 I confessed that I am unclear about whether *P's intention* to render Q vulnerable is generally necessary for the coerciveness of a proposal. I am also unclear about the necessity of this condition for the coerciveness of capitalist wage proposals in particular, though if it were necessary, there would in most cases be little difficulty, I think, in showing that it was satisfied.

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