

*Revising the Moral  
Arguments for US  
Black Reparations  
in light of the  
Economic  
Arguments*

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# Summary

This is a paper on **ethics and economics**

Not ethics and mainstream economics but **ethics and stratification economics**

Issue: reparations to be paid to black Americans today for slavery in the US

The **paper's goal**: integrate **two literatures developed independently on the subject**

An ethics literature from philosophy on the moral foundations of reparations

Stratification economics' argument for how to pay reparations and the amount

The **problem**: the ethics literature on reparations

(a) has inadequate moral foundations and

(b) is inconsistent ontologically with stratification economics reparations plan

The paper's strategy: revise the ethics argument to fit the stratification argument

How? Employ the concepts of **group rights and collective moral responsibility**

# Reparations: A rare, thus unimportant issue?

In fact, reparations have been paid throughout history as a result of **wars, atrocities, colonialism, genocide, enslavements, land grabs, population displacements**, etc.

Reparations have their basis in **one of earliest moral principles** in human society – that people are entitled to compensation for damages others have caused them

The foundation of **tort law** in most countries' civil legal proceedings when courts determine damages incurred by some must be paid by those responsible

Reparations may be needed to deal economically and morally with **climate change**

One of the **great crimes in history**: the kidnapping, transport, and enslavement of over 4 million people of African descent into slavery in the US

Moral basis for reparations: **social** justice

# Stratification economics (SE)

SE argues **the economy** is organized around **power relationships between social groups** that produce a **hierarchical ordering of social groups** that systematically promotes advantages for some groups and disadvantages for others

Social groups are distinguished by race, gender, religion, sexual orientation, etc. according to a society's main sources of social conflict

The **expenditure and income conceptual basis of mainstream macro theory** obscures this; **markets seen as exchanges between individuals** does as well

Standard economics is **marginalist**, so its policy recommendations are **ameliorative** – making the economy and markets work more efficiently, technically, not socially

For SE, policy should be **transformative** aimed at producing **social equality**

# The standard moral argument for reparations - Locke

According to **Locke, as a matter of natural law**, people have equal rights to their lives, liberty, and property because

- (a) in a state of nature people are equal in their basic human capacities
- (b) this same equality should hold in human society as well

But the **principle of equal liberty applies only to independent individuals**, not to groups, communities, nations, and other collections of individuals

Rights are always only individual rights

**Moral responsibility to pay reparations also only resides in individuals** who infringe upon other individuals' natural rights, not in groups of people that infringe upon other groups' freedoms

# Problems with Locke's argument for reparations

Its **'state of nature' basis**: the concept is philosophically problematic (cf. Rawls on equal liberty) and there is no evidence people outside of society were 'naturally' equal

Locke's (and the neoclassical economics) **conception of identity and agency**: only socially *un*embedded individuals are agents, never groups of people

It supports what is known as the **inheritance argument against reparations** – the 'Mitch McConnell problem' – that crimes others committed do not transfer to later individuals

Normative consequences:

- (a) **no concept of collective or shared moral responsibility**
- (b) **no way to address genocide, wars, colonial oppression, etc.**

# Stratification economics on reparations

Reparations should be **paid by the US government** because at the end of the Civil War it promised to compensate former slaves but failed to do so

The **US government as a collective agent would pay reparations in the name of all citizens**

**Individual descendants** of enslaved individuals are eligible to receive reparations in **virtue of their descent from a group of people who were wronged as a group**

The reparations relationship is between two sets of individuals identified according to their social group status

The total **amount of reparations is determined as what would eliminate the wealth gap** between two social groups, white and black Americans

# Two ontological specifications post-WWII reparations

US reparations for **Japanese** incarcerated in the US during WWII

paid directly to individuals as members of a social group

relationship: between two sets of individuals **as members of** social groups

German reparations for Jews killed in the **holocaust**

paid to the nation of Israel in the name of individuals killed

relationship: between two social groups **in the name of** their individual members

Reparations for slavery in the US? Combines both relationships

# Rethinking ethics and economics ontologically

**Ethics in economics often ignores ontological foundations**, e.g., individuals are atomistic

Ethical arguments can then be irrelevant, wrong, and reinforce status quo ethical values

Stratification economics: individuals belong to social groups, and the economy is organized around a hierarchical ordering of social groups

**Inequality** and **social justice** are fundamental ethical concerns and central to economic policy

The ethical objective of reparations: righting a **social** wrong – ethically repairing crimes

**Mainstream Pareto welfarist ethics and economic policy** that assumes atomistic individuals ignores/suppresses both the righting of social wrongs and addressing structural inequality

# How is ethics and economics changed?

Here **the scope** of ethics and economics is changed by changing how ethics is done, specifically by accommodating SE assumptions and values in SE policy recommendation

**SE's ontological position** – that social groups are also agents – is both **empirically based and a value assumption**

An ethics and economics that expands the concept of justice to include social justice

When serving justice involves defending rights, this refers to both **individual and social group rights – together understood as human rights**

Is change in thinking about the relationship between ethics and economics a result of historical change especially involving major historical social wrongs?

Perhaps the response to climate change will tell us