

**THE RIGHT TO WORK AND A MINIMUM
STANDARD OF LIVING:
DEMOCRATIC POLITICAL ECONOMY AND
FDR'S ECONOMIC BILL OF RIGHTS**

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ABSTRACT

In this paper I argue for the right to work and a minimum standard of living based on President Franklin Delano Roosevelt's (FDR) Economic Bill of Rights. I argue for a democratic political economy as a counter strategy to unregulated financial markets inherent to liberal capitalism.

An Economic Bill of Rights, such as the one initiated in 1944 by FDR, provides the optimal foundation for economic justice and the optimal counter strategy to the negative effects of liberal capitalism. I further argue for the implementation of FDR's Economic Bill of Rights based on: (1) the rejection of market rationality (neoliberalism) as the basis for normative behavior; (2) a democratic economy and social welfare policy that prioritizes economic rights; (3) the prioritization of labor over capital in economic relationships in society; and (4) the 1948 Universal Declaration of Human Rights to which the United States is a signatory.

Keywords: neoliberalism, globalization, dual economy, economic bill of rights.

INTRODUCTION

Professor Emeritus of Economics at MIT, Peter Temin, argues that the ongoing decline of the American middle class has resulted in the emergence of two distinct countries within the United States (U.S.), typical of developing nations. In *The Vanishing Middle Class: Prejudice and Power in a Dual Economy*, Temin describes the U.S. as two countries, one composed of a small number of people with access to a glut of resources and power, and the other composed of the vast majority who labor with minimal access to the same resources. Temin argues that this division (dual economy) is similar to that of developing and Third World nations and that the status of the middle class, in terms of standard of living, is not what it once was forty years ago (Temin, 2017).

Temin documents gains in productivity and wages and how the two closely paralleled each other from 1945 to 1975. Then in 1971 wages started to become stagnant and have remained so until the present. From 1945 to 1975 two-thirds of middle class income accounted for 60 percent of total U.S. earnings. In contrast, middle-class households in 2014 earned about 40 percent. Adjusted for inflation, the incomes of goods-producing workers have been flat since the mid-1970s. What has resulted is a “dual economy” in the U.S. according to Temin, based on what he describes as the “FTE sector” — people who work in finance, technology, and electronics verses the “low-wage sector.” Workers in the first sector tend to thrive financially while workers in the second sector encounter economic hardship and unsustainable financial debt.

Temin applied the work of Nobel Prize winning economist, W. Arthur Lewis - designed in the 1950s to analyze the workings of developing countries – to the U.S. in an effort to investigate how inequality has grown in America (Lewis, 1954; Hunt and Lewis, 1989).¹ The

¹ Arthur Lewis put forward a development model of a dualistic economy, consisting of rural agricultural and urban manufacturing sectors. Initially, the majority of labor is employed upon the land, which is a fixed resource. Labor is

model, known as the Lewis model or “dual sector model” identifies how the majority population of a developing country’s low-wage sector has virtually no influence over public policy. The high-income sector, through its dominance in public policy, is able to suppress wages in the majority low-income sector. Maintaining this downward pressure on wages has benefitted the high-income sector’s increased financial status through income and investments. Thus the high-income sector in the U.S., like that of developing nations, continues to dominate public policy in terms favorable to themselves through regressive tax structures, the deregulation of corporate enterprises, and privatization of public goods and infrastructure investment.

According to Temin, the dual sector economy has also emerged as a consequence of: (1) weakening New Deal and Great Society programs; (2) abandoning the War on Poverty and replacing it with the War on Drugs; (3) “big money” in politics via *Citizens United*; and (4) diverting public funds into the “military-industrial complex.” He argues that what has been perpetuated in the process is a structure that predetermines economic “winners and losers” and depletes essential public funding for infrastructure development. The crucial point for Temin is that the “dual economy” has thus increased class divisions in the U.S. and that economic deprivation, like that of developing nations, appears to be a permanent feature of the economy.²

a variable resource and, as more labor is put to work on the land, diminishing marginal returns eventually set in. There may be insufficient tasks for the marginal worker to undertake, resulting in a reduced marginal product (output produced by an additional worker) and underemployment. Urban workers, engaged in manufacturing, tend to produce a higher value of output than their agricultural counterparts. The resultant higher urban wages (Lewis stated that a 30% premium was required) might therefore incentivize surplus agricultural workers to migrate to cities and engage in manufacturing activity. High urban profits would encourage firms to expand and result in further rural-urban migration. The Lewis model is a model of “structural change” since it outlines the development from a traditional economy to an industrial one. Thus profits will be retained by the capitalist entrepreneur at the expense of workers. In addition, urban expansion is incentivized by increases in capital rather than labor.

² See Paul Pierson and Jacob Hacker, *American Amnesia: How the War on Government Led Us to Forget What Made America Prosper*, New York: Simon & Shuster, 2016.

In order to reverse this trend, Temin argues for increased “spending” and “investment” in public sector infrastructure. This translates into the expansion of public funding in education, modernizing freeways and bridges, affordable transportation at the local and national levels, and forgiving crippling mortgages and student loan debt. Temin also calls for a revived labor movement where unions bargain more aggressively on behalf of middle-class wage earners. If not, Temin warns that the middle class will continue to fade if progressive public policies are not implemented quickly to counter the dual economy. According to Temin, neoliberalism and globalization have served as the conceptual framework for transforming the U.S. into a Third World nation.

While Temin’s suggestions - to remedy the dual economy and the resultant class divisions within U.S. society - are well intended, I am convinced that Temin’s progressive Keynesian New Deal, Great Society policies, (and Robert Reich’s *Saving Capitalism*, Joseph Stiglitz, *Making Globalization Work*, and Paul Krugman’s *End This Depression Now* strategies) are no longer viable economic options. This is because the monetarist-Keynesian “revolving door” has *not guaranteed economic and social justice* as cited by economists such as Thomas Piketty (2014), Emmanuel Saez and Gabriel Zucman (2014).³ I argue with Cass Sunstein (2004) Thomas Piketty, Emmanuel Saez and Gabriel Zucman, that a minimum standard of living “guarantee” is now needed in response to the Great Recession and its lingering effects, the dual

³ Liberal Keynesians and social democrats, such as Robert Reich, Paul Krugman, and Bernie Sanders (see www.ourrevolution.com) argue for: (1) public infrastructure investment in schools, universities, public works programs, Medicare for all, expansion of Social Security, increased progressive taxation on individuals and corporations; vigorously enforced anti-trust laws to discourage monopolies; and repealing *Citizens United* and eliminating “big money” from politics. Piketty, Saez and Zucman argue that liberal strategies must be accompanied by economic guarantees since there is no assurance that liberal strategies have any permanent status, politically.

economy Third World development, and increased class division in the U.S.⁴

The guarantee, of a basic minimum level of subsistence, is nothing new; it has already been introduced by President Franklin Delano Roosevelt in his State of the Union Address on January 11, 1944 as a second Bill of Rights or Economic Bill of Rights (1944).⁵ The general provisions call for essential human provisions, such as, employment, food, clothing, housing, leisure time, a living wage income, regulated commerce, medical care, social security, and education. In his State of the Union Address, FDR suggested that the nation should now implement, a second "bill of rights" in response to the Great Depression. Roosevelt's argument was that the "political rights" guaranteed by the United States Constitution had "proved inadequate to assure equality in the pursuit of happiness" and that an "economic bill of rights" must guarantee eight specific rights:

1. Employment (right to work)
2. Food, clothing, and leisure
3. Farmers' rights to a fair income (and/or worker's rights to fair income)
4. Freedom from unfair competition and monopolies
5. Housing
6. Medical Care

⁴ Also see MLK's advocacy of an Economic Bill of Rights, <http://www.thekingcenter.org/archive/document/economic-and-social-bill-rights>, retrieved April 7, 2017. Martin Luther King and Bayard Rustin argued, as an extension of the Civil Rights Movement, for a minimum standard of living, not only for African Americans and the poor, but for all Americans as the foundation of a democratic society, <http://www.msnbc.com/all/mlks-fight-against-economic-inequality>, retrieved 4-7-18; See Ned Resnikoff, "Four Ways Martin Luther King, Jr., Wanted to Battle Inequality," MSNBC, 1-19-14; <http://www.msnbc.com/all/mlks-fight-against-economic-inequality>, retrieved 4-7-18. See Dani McClain, "The Rev. William Barber Is Bringing MLK's Poor People's Campaign Back to Life," *The Nation*, June 7, 2017; David Phillippe, "MLK Jr. and the Economic Bill of Rights," *Punditocracy: Policy and Politics*, January 20, 2014. I highly recommend the following article by Mark Paul, William Darity, Jr., and Darrick Hamilton, "An Economic Bill of Rights for the 21st Century," *American Prospect*, March 5, 2018.

7. Social Security
8. Education

I further argue that the implementation of FDR's Economic Bill of Rights implies: (1) the rejection of neoliberalism and globalization as the basis for normative economic behavior; (2) the prioritization of labor over capital in major strategic industries and economic enterprises in society; (3) a democratic economy and social welfare policy that prioritizes economic and human rights under the eight provisions listed in FDR's Economic Bill of Rights; and (4) an adherence to the 1948 Universal Declaration of Human Rights (specifically economic and human rights) to which the United States is a signatory. In this Economic Bill of Rights, citizens will then possess the basic right to work and a minimum standard of living to provide a decent standard of living and a necessary foundation for participation within a democratic society. This entails the recognition of fundamental human rights for all citizens that cannot be legislated away, but rather recognized as a permanent feature within the constitution of the United States and international human rights.

DEMOCRATIC POLITICAL ECONOMY

According to the Economic Policy Institute the majority of U.S. citizen's financial affairs have reached a crisis level (Sommeiller, Price, and Wazeter, 2016).⁶ The current economic reality for most middle class citizens has been one in which their standard of living has steadily declined. As Pew Research reports, in 1970 three of every ten income dollars went to upper-income households while today it is five of every ten. The Social Security Administration reports that more than half of U.S. citizens make less than \$30,000 per year and that more than half of

⁶ See the following research institutes for further information on economic rights: Institute for New Economic Thinking; Democracy Collaborative; Political Economy Research Institute; Center for Economics and Policy Research; New Economy Coalition.

U.S. families have virtually no savings and would need to assume significant debt or sell assets to cover an emergency expense. Approximately two-thirds of U.S. citizens have less than \$1,000 in their savings and the number of families spending more than half their incomes on rent has increased by a stunning 50% in ten years (Pew Research Center, 2016; 2015; Social Security Administration, 2016).

The growing inequality data is nothing new (Hibbs and Dennis, 1988; Karoly, 1996; Bane, 2006; Bartels, 2005; 2008; Gilens and Page, 2014). Economic research indicates that this trend has been developing over the past four decades and that the concentration of wealth in the U.S. has even translated into political representation that favors the wealthy over and above the middle class and poor, similar to Temin's findings via Lewis's "dual sector model." In this sense it should be of no surprise that further "economic growth" would be advocated by elites (President William Clinton, Alan Greenspan, Robert Rubin, Lawrence Summers, Phil Graham) and in fact led to the abolition of the Glass-Steigell Act of 1933 in order to incentivize financial institutions by deregulating markets. Tragically, however, this led to the subsequent "housing bust" of 2008 and the Great Recession. As a result of the Great Recession and the past forty years of economic division within society, the institution of neoliberal globalized markets is now in question.

Clearly, the implementation of FDR's Economic Bill of Rights involves moving away from an asymmetrical dominance in economic power to a qualitative change in social relationships. This "shift" in priorities is aimed at achieving human solidarity by securing and guaranteeing human and economic rights as basic needs that provide all people with a minimum standard of living as Marx argued for at the First International in 1873 "from each according to his abilities, to each according to his needs!" (Marx, 1875, p. 321). Thus a democratic political economy understood within this conceptual framework must necessarily embrace an institutional structure, such as a

democratic government entity, to implement and oversee a society based on the fulfillment and protection of human and economic rights through social justice (Dickenson, 1939; Kolakowski, 1968; Harrington 1989; Wells 1996). Democratic understood in this context implies that the accountability of an institutional structure implementing an Economic Bill of Rights would be, presumably, accountable to the people it is intended to serve.

A democratic political economy in this tradition rests upon a concern for “equality” without which “freedom” is, arguably, baseless. Ultimately, advocacy of equality is a value judgment in which persons are born equal, in the sense that their equal humanity is more important than their different endowments. Social critics, such as Cornel West (1991; 2005), “value” equality, not necessarily on the pragmatic grounds of its economic effects alone, but rather for intrinsic value as well because: (1) the poorest members of society have a fundamental human right to sustain their basic needs; (2) no distribution of wealth equates precisely between financial reward and actual labor and a nearly equal distribution is more likely to approximate justice than a less equal one; and (3) the more evenly wealth and resources are distributed, the greater welfare it promotes within the common good.

While democratic political economists may differ on the degrees of equality they seek, all apparently agree that some trend toward a framework for an egalitarian society is optimal, i.e., one where people are not separated from each other by divisions of wealth and resources that deny the basic subsistence rights of the human person (e.g. food, clothing, shelter, work, leisure, education, retirement, health care, transportation, extended leave from work for child care, spousal care or elder care, etc). Implied throughout the democratic political economy perspective is the view that neoliberal capitalism is inherently exploitative and that a “plan” is needed to transition society from a neoliberal capitalist consumer society to a more egalitarian collectivist one prioritizing fundamental economic and human rights. For David Schweickart (2002; 1993; 1980)

this can be realized in an “Economic Bill of Rights” or worker cooperatives where workers are entitled to the profits they create and democratic egalitarian control over capital and the means of production. In this regard, capital has a moral responsibility to prioritize labor.

Moral Duty of Capital

Signs of a democratic political economy can be traced to the father of modern capitalism, Adam Smith, who understood well the dangers of greed and its potential to destroy people’s lives (Rae, 1895). In the *Wealth of Nations* (1776) Smith warns that, “all for ourselves and nothing for other people, seems, in every age of the world, to have been the vile maxim of the masters of mankind” (Smith, 1776, p. 448). In fact one of Smith’s earlier writings in the *Theory of Moral Sentiments* (Smith, 1759) Smith reveals a prior context of moral restraint in matters of economics, if anything, to eschew social unrest that would challenge the accumulation of wealth by the rich. Smith nonetheless argues in the *Wealth of Nations* that, “wherever there is great property, there is great inequality ... civil government, so far as it is instituted for the security of property, is in reality instituted for the defense of the rich against the poor, or of those who have some property against those who have none at all” (Smith, 1776, p. 770, 775).

Here it is important to note that Smith argues that the state has a moral duty to assess the needs of both the rich and poor based on an ability to financially contribute to society insofar as “the subject of every state ought to contribute toward the support of the government (tax), as nearly as possible, in proportion to their respective abilities, that is in proportion to the revenue which they respectively enjoy under the protection of the state” (Smith, 1776, p. 892), Smith argues that the greater share of this financial contribution rest with the rich when he states, “it is not very unreasonable that the rich should contribute to the public expense, not only in proportion to their revenue, but something more than in that proportion” (Smith, 1776,

991). Smith then argues for a defense of a living wage and a labor theory of value (worker's rights to the profits they create as surplus value) when he states, "It is but equity ... that they who feed, clothe and lodge the whole body of the people, should have such a share of the *produce of their own labor* as to be themselves tolerable well fed, clothed and lodged" (Smith, 1776, p. 32). Here, Smith's view of the market presupposes moral criteria of justice and fairness in economic matters and that what Adam Smith envisioned when he composed the *Wealth of Nations* is not accurately reflected in neoliberal arrangements. In this sense, there is a moral duty to labor as Smith conceptualizes eighteenth century capitalism.

RADICAL ANALYSIS

Liberal Keynesian economists such as Robert Reich (2015), Paul Krugman (2012a;2012b), and Joseph Stiglitz (2012) argue that neoliberal capitalism and the failure to "break up" the megaconglomerate financial institutions and corporations that dominate modern economic life, is one of the leading reasons for the problems associated with the Great Recession, economic polarization and increased class division in the U.S. Paul Krugman has gone on record stating that because of the Great Recession, mainstream economics (neoclassical and Keynesian schools of thought) has been forced to address left-wing or radical solutions. Krugman seems to be surprised at where his analysis has led him when he states, "aren't we really back to talking about capital versus labor? Isn't that an old-fashioned, almost Marxist sort of discussion, out of date in our modern information economy? Well, that's what many people thought; for the past generation discussions of inequality [within orthodox economics] have focused overwhelmingly not on capital versus labor but on distributional issues between workers ... But that may be yesterday's story." Moreover, in a related blog entry entitled "Human Versus Physical Capital," Krugman writes, "If you want to understand what's happening to income distribution in the

twenty-first century economy, you need to stop talking so much about skills, and start talking much more about profits and who owns the capital. Mea culpa: I myself didn't grasp this until recently. But it's really crucial" (2012b). Thus Krugman admits that he has been forced to reexamine past debates dealing with the contradictions within capitalist formation: (1) the conflict between labor and capital; and (2) the growth of monopoly power within corporations.

Krugman is not completely convinced that these two reasons alone are why the U.S. economy is still "deeply depressed" and "corporate profits are at a record high." Rather, Krugman is most concerned with the dramatic drop in the labor share of GDP. While he attributes some of this drop to labor-saving innovations in technology, which he refers to as the "rise of robots," Krugman focuses on the labor-capital problem as the underlying cause for the drop in labor's share of GDP. He states, "I think it's fair to say that the shift of income from labor to capital has not yet made it into our national discourse. That shift is happening – and it has major implications" (2012b). Krugman continues, "If income inequality continues to soar we are looking at a class-warfare future ... increasing business concentration could be an important factor in stagnating demand for labor, as corporations use their growing monopoly power to raise prices without passing the gains on to employees" (2012b).

Of course the capitalist monopoly thesis is all too familiar to Marxian economists. Radical thinkers who identify monopoly power as the single largest factor in causing the Great Recession – Barry Lynn in *Cornered* (2010) and John Bellamy Foster and Robert McChesney's *The Endless Crisis* (2012), presaged by Michal Kalecki's *Theory of Economic Dynamics* (1954) on monopoly power – are numerous and unequivocal analyses of monopoly capitalism.⁷ From the Marxist perspective, monopoly

⁷Also see the works of Harry Braverman, Harry Magdoff, Paul Sweezy, Paul A. Baran, Edward Chamberlin, Joan Robinson; Karl Marx, *Grundrisse* 1857-58; *Capital*, Vol. I, 1867; *The Communist Manifesto*, 1848.

power is endemic to capitalist development. Indeed, Krugman and other Keynesians have no other viable economic critique available other than the Marxist analysis as they turn their attention to growing inequality and monopoly power as the core component for the cause of the Great Recession (2012c).

Joseph Stiglitz, in *The Price of Inequality* (2012), presents similar arguments to Krugman's. As Stiglitz makes clear, the problem is that in the current economic crisis "the share of wages" in the economy "has actually fallen, while many firms are making good profits" Stiglitz, 2012, pp. 29, 33, 45; 2006). Stiglitz devotes an entire chapter of his book to the "increased monopoly power in the United States" which has been the result, in his view, of neoliberal policies and anti-regulatory environments. Stiglitz argues that this creates a "negative-sum game" whereby the giant corporations gain, while the economy as a whole loses. All of this is consistent with the paradox of rapidly rising profits, stagnant real wages, and persistent unemployment and the "price of inequality."

But for Stiglitz, Krugman, Reich and other liberal economists, the policy solution is to be found in implementing, or reviving, effective antitrust laws, government regulation of the economy, and progressive income tax as social welfare strategies for "fixing" the economy, or put more dramatically, "saving capitalism." On the other hand, structural problems inherent to capitalism such as the downward pressure on wages, the 'boom-bust' business cycle of capitalism, increasing class inequality and monopoly power – all of which undermine the economy and understood as *inherent tendencies within the capitalist system itself* - are not analyzed by liberal Keynesians as systemic contradictions within a capitalist economy. For Reich, Stiglitz and Krugman, that the conflict between labor and capital is itself the core problem that promotes these contradictions and eventual economic hardships on people, is left to policy remediation. The failure to guarantee economic rights as guarantee to all persons in the U.S. is absent from this perspective.

Exploitation

The Marxist theory of capitalist exploitation is critical in order to understand the rationale for transitioning away from neoliberal capitalism to a democratic political economy based on economic rights. The argument, succinctly put, is that wage laborers, according to Marx, are exploited by their employers since wage earners create the surplus value to which the employer and stockholders garnish the lion's share. This is basically the core argument of what has become Marx's "labor theory of value," and concept of labor alienation and exploitation. Put another way, the surplus value created by a laborer is intrinsically related to the labor that has been spent on producing the product. Capital did not create the value; labor did.

The income from a finished product is then divided between labor (wages) and capital overhead. After these costs the surplus value is taken by the employer in the form of capital profit. According to Marx, exploitation occurs when workers are subordinated to the status of capital and the wages received by workers do not reflect the surplus value of their efforts. The "lion's share" of the wealth is retained by the employer at the expense of the worker, thus "making a profit" essentially means taking away from the workers the huge amount of value they create resulting from their labor. This is what Marx describes as "capitalist exploitation."

But identifying capitalist exploitation is only part of the problem in analyzing the contradictions of capitalism. Marx argues that capitalist exploitation invariably undermines capital itself precisely because workers have less money to spend in a market economy. The lack of income, due to downward pressure on wages, leads to a decline in purchasing power of workers and is eventually felt by the capitalist class in stagnation, recession and even inflation. This according to Marx perpetuates economic crisis for society at large through layoffs, underemployment, and unemployment.

Here it is important to note that radicals see exploitation and economic crisis as constituting an inherent element of capitalist-worker relations and thus generates inequalities (Sen, 2010; Sen, 2006). Consequently, asymmetrical distributions of wealth and power create individual and class antagonisms across the entire social strata, which in turn create further inequalities that undermine the economic well-being of the working class (Marx, 1875; 1852; 1849; 1846). In fact, radicals argue that capitalist arrangements themselves threaten the precise nature of democratic societies both in modern market societies as well as developing ones since many capitalists conclude that democratic rights, specifically those rights demanding economic participation, ought to be subordinated to neoliberal enterprises.⁸

CONCLUSION: AN ECONOMIC BILL OF RIGHTS

The effects of the Great Recession disaster have been real: reduced income, unemployment, home

⁸ See Noam Chomsky, *Profit Over People: Neoliberalism and Global Order*, 1999, where Chomsky argues that neoliberal economic arrangements, not only pose a danger to democratic organizations, but will strategize to discredit and eliminate them. In contrast to Chomsky, Jonathan Koppell, Dean at the College of Public Programs at Arizona State University, argues that democratic organizations and their political agendas must be subordinated and even subverted to benefit neoliberal capitalist arrangements. In the Abstract to "Global Governance Organizations: Legitimacy and Authority in Conflict," *Journal of Public Administration Research and Theory* 18(2), 1 April 2008, 177-203, Koppell states, "Global governance organizations (GGOs) are frequently maligned as both illegitimate and ineffective. With the growing prominence of entities that promulgate global rules governing trade, communications, finance, and transport, these shortcomings take on greater importance. This essay presents a theoretical framework to understand the challenge of legitimacy for GGOs. It argues that GGOs tend to face trade-offs between legitimacy and authority, but that widespread usages of these important terms conflate or confuse them and thus obscure critical issues in GGO politics. Once these terms are more clearly defined, ***we see more easily that GGOs must sometimes violate democratic norms, sacrificing equality and bureaucratic neutrality, to satisfy key constituencies and thus retain power.*** The argument lays the foundation for an empirical study that demonstrates how the structure and processes adopted by GGOs are intended to satisfy the conflicting demands of legitimacy and authority." Also see, Jonathan G.S. Koppell, *World Rule: Accountability, Legitimacy, and the Design of Global Governance*, Chicago: University of Chicago Press, 2010.

foreclosures, bankruptcies, evictions and homelessness, lost pensions, 401Ks depleted, unsustainable educational debt, bankruptcy, family and marital stress, reports of increased hunger and homelessness, etc. Most Americans hurt by this disaster have “played by the rules” only to be devastated financially by what economists identify as the cause of this Great Recession: the abolition of the Glass-Steagell Act (1933). This trend has been used to “scapegoat” along the lines of ethnicity, race, gender, and social class. In fact, current research indicates that a very small percentage of the U.S. population is immune from falling into poverty and experiencing underemployment and underemployment, in the current economic climate. This perceived experience of economic vulnerability is a result of neoliberal market failure and resulting random misfortunes beyond the control of people. In turn, this has damaged the American Dream of upward social mobility which is at an all-time low among developed nations (Stanford Center on Poverty and Inequality, 2017). Thus the urgent need for an Economic Bill of Rights as put forth by FDR with the implicit understanding that the law’s ability, through public policy, to interfere with individual liberty run amuck in the current atmosphere corporate plutocratic rule mandates a fundamental restructuring of values that prioritized economic rights as human rights.

In the attempt to provide a solution for the economic decline of neoliberal capitalism via a human rights model that would better secure the fundamental rights of citizens in U.S. society, I argue for: (1) the rejection of market rationality (neoliberalism) as the basis for normative behavior; (2) a democratic economy and social welfare policy that prioritizes economic rights as human rights; and (3) the prioritization of labor over capital in economic endeavors in order to create justice and a healthy economy. I argue that this formulation underlies an economic Bill of Rights, securing the economic rights of citizens. The foundation of this economic Bill of Rights is grounded on Rodney Peffer’s “basic rights” principle

termed “Radical Rawlsian” (Peffer, 1994; 2003(a); 2003(b); 1990; 1978; 2008; 1998).

The question arises, according to Peffer, as to how to render unto people what it is that they deserve (Economic Bill of Rights) and what it is that people deserve in the first place. According to Peffer, Rawls’s *Theory of Justice*, that is, the reprioritizing and distribution of scarce resources to the least advantaged, based on a legislative outcome in a democratic society, is insufficient as a policy outcome. The current “liberal” social justice framework argued by Rawls and operative in the U.S. in the New Deal and Great Society programs, such as social security, welfare, Medicare, affirmative action, etc., are politically expendable. In spite of this perceived problem, Peffer nevertheless, attempts to reconstruct New Deal and Great Society programs and build on Rawls’s concept of justice in a revision he describes as “Radical Rawlsianism.” In doing so, Peffer presents a case for a social justice and economic rights guarantee securing a more democratic, equitable, and egalitarian society based on what Peffer describes as the “basic rights principle.”

Peffer asserts that the argument for what constitutes the makeup of Rawls’ idea of justice incorporates a good deal of intellectual space for a concept of “fairness,” too, and the space this creates for discussing fairness as a facet of “radical justice.” Yet radical justice depends on a more rudimentary concept that is egalitarian—a concept known as “the maximum equal liberty principle.” Albeit this iteration of Rawls’ concept of social justice is a modified one when conjoined with the radically egalitarian notions of social justice (i.e., “justice as equality”) found in the constructs of Kai Nielsen (1985; 2003), Thomas Pogge (2008; 2005), Henry Shue (1996) and James Nickel (1987). Nevertheless, it is here that Peffer’s abovementioned “basic rights principle” attempts to secure “basic needs” which can be understood as a fundamental right to work and for that matter basic “economic rights.” To this, Rawls defers to democratic legislation; Peffer argues to the contrary in that economic rights are human rights not subject to the

perceived fairness of a legislative agenda. In this regard, Peffer's Radical Rawlsian model provides a foundation for the implementation of FDR's Economic Bill of Rights as a Second Bill of Rights.

In his *Theory of Justice*, Rawls argues that justice is the first priority or virtue of social institutions in that justice itself – and specifically social justice – is a moral anchor for society. In Rawls's "original position" knowledge and understanding of oneself and who they are in relation to others, is concealed by a metaphorical "veil of ignorance." Presumably, since none would prefer to be disadvantaged, Rawls argues that people would come to agree on equality insofar as all would agree to "primary social goods" – specifically, opportunity, liberty, income, wealth, and the precepts for self-respect – to form part of a social justice foundation. The only exception that Rawls permits to the equality he elaborates is his "difference principle" where the priority for the redistribution of societal recourse is allocated first to the most in need in society.

For social philosophers such as Rodney Peffer, under liberal and Rawlsian notions of justice, there is no bottom line guarantee of justice since this can be negotiated in the interest of fairness. Specifically, minorities, women, the working class and the poor, could see their status decline, rather than improve with respect to the "difference principle" rearranging of social justice priorities on behalf of the marginalized. For Peffer, the "original position" and "veil of ignorance" modifiers mean nothing definitively in terms of policy without a "basic rights principle" as the framework for a Second Bill of Rights. Here, under the Radical Rawlsian model, a minimum standard of living is recognized as a fundamental component of human existence.

Final Note

The original Bill of Rights guarantees *freedom from* government interference in a citizen's life. The second Bill of Rights (Economic Bill of Rights) asserts a *freedom for* a minimum basic level of existence. The next set of rights to

be considered is a third Bill of Rights, or an Environmental Bill of Rights that guarantees the right to environmental health and freedom from environmental pollution. This right must necessarily include policies that embrace environmental restoration and the promotion of a green planet since public environmental health is inherent to both a political and economic bill of rights.

Environmental Bill of Rights

An Environmental Bill of Rights (EBR), such as the one passed by the legislature of Ontario, Canada in 1993, provides the people of Ontario rights to participate in environmental decision-making. The EBR is upheld by the Environmental Commissioner of Ontario, which could be translated into the domain of the Environmental Protection Agency (EPA) in terms of the United States. Two major pillars of this EBR are founded upon energy conservation and climate change.

The EBR in Ontario, Canada, gives citizens the right, under specific circumstances to:

1. notification and comment on environmentally significant government proposals using the Environmental Registry.
2. request a ministry to review a law or to investigate harm to the environment
to appeal a ministry decision.
3. sue for harm to a public resource.
4. sue for public nuisance causing environmental harm.
5. be protected from employer reprisals for using the above rights.

The EBR also lays out responsibilities for those ministries that are prescribed to develop and publish a Statement of Environmental Values (SEV) that guides the ministry when it makes decisions that might affect the environment. The ministry must consider the SEV when it makes an environmentally significant decision and this

must consider the SEV when deciding to conduct a Review or Investigation (RI) under the EBR. The minister must post notices on the Environmental Registry for environmentally significant Acts, regulations and policies, and to consider these comments when making their decisions. The minister must report annually on the ministries' compliance with the EBR.

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