

# Philosophy, Politics and Economic Change

**Robert Nozick**

A.R. Lacey

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THE American philosopher Robert Nozick is best known for his controversial book, *Anarchy, State, and Utopia*, in which he advanced a radical libertarian account of the state. However, as A. R. Lacey observes (p. 1) in this commendably concise overview of Nozick's philosophical writings, Nozick himself always resisted being labelled a 'political philosopher'. Indeed, as Lacey's book demonstrates, Nozick's published work touched on a remarkably wide range of philosophical issues, including not only political philosophy and ethics, but also epistemology, the nature of rationality, and various topics in metaphysics.

Lacey's book is very timely, given Nozick's recent death at the age of 63. The volume represents an attempt to summarise the main arguments advanced by Nozick throughout his philosophical career (with the exception of those contained in Nozick's last major work, *Invariances*, published in 2001), while also discussing the major criticisms those arguments have received. Given the

breadth of Nozick's academic interests, this represents a formidable undertaking; Lacey, however, rises admirably to the task, moving smoothly and knowledgeably between topics as diverse as the moral basis of the state, the metaphysics of personal identity, and spiritual approaches to the meaning of life.

This is a well-written book. Lacey's prose is dense with information, while remaining clear and concise throughout. The book as a whole is intuitively organised; Lacey sensibly accords more prominence to Nozick's more critically recognised arguments (the first two substantive chapters are devoted to *Anarchy, State, and Utopia*), and takes pains to stress recurring concepts in the earlier chapters. Similarly, the author's use of references is excellent; there is an extensive bibliography, and a useful 'Guide to Further Reading', organised according to chapter. The short summaries included by Lacey at the end of each chapter further enhance the book's already tight structure.

The book commences with an interesting introductory chapter, in which the author examines the different approaches to philosophical writing taken by Nozick over the course of his career. In particular, Lacey documents Nozick's shift in later life toward a less argumentative,

'explanatory' approach to philosophical reasoning, and discusses his controversial condemnation of traditional philosophical argumentation as overly coercive. Appropriately, Lacey gives full weight to the rather devastating criticisms which have been levelled at this aspect of Nozick's later work, while also giving sympathetic consideration to the concerns which Nozick raises about traditional methods of philosophical argument.

The rest of the book is devoted to summarising Nozick's views on various important philosophical questions, and canvassing the main criticisms levelled against them. Despite the diversity of the topics covered by Nozick's writings, Lacey, himself a professional philosopher, is not inclined to shy away from detail. The author's incisive and well-researched treatment of each individual area of Nozick's work is one of this book's undoubted merits. Paradoxically, however, this attention to detail also represents the book's most striking shortcoming, for it means that even the most dedicated layperson is likely to find the more technical chapters quite difficult to follow.

In the preface (p. vii), Lacey expresses the hope that his book will provide 'the student or interested layman' with an accessible overview of Nozick's philosophy. (He adds that,

to this end, he has omitted discussion of some of Nozick's 'more technical work'). Despite the precision of Lacey's writing, however, his commendable aim of producing an accessible general introduction to Nozick's philosophical writings remains largely unfulfilled. The diversity of the topics which Nozick's work covered, coupled with the technical nature of significant parts of the material, ensures that the lay reader who wishes to obtain a genuine overview will need to bring very considerable patience, and not a little philosophical aptitude, to her or his perusal of Lacey's book.

For this reason, Lacey's work is not as well-suited as a general overview for the student or layperson as the author appears to desire. It is, however, excellently adapted for two other roles: it provides the graduate student or professional philosopher with a concise, well-referenced overview of Nozick's philosophy; and it serves as a useful resource for the student or layperson who wishes to explore in some depth a particular area of interest in Nozick's work. Readers of *Policy*, for example, who would like to acquaint (or re-acquaint) themselves with Nozick's political views, will be hard pressed to find a better basic summary than that in chapters 2-4 of Lacey's book.

Lacey appears to view his book as an attempt to demonstrate a degree of unity in Nozick's philosophy as a whole; to this end, he attempts at various junctures to identify recurring themes in Nozick's work. In this endeavour, again, the author meets with limited success. As Lacey acknowledges (p. 170), both the breadth of Nozick's philosophical concerns and his lifelong reluctance to engage directly with his previous work make any overall unity difficult to find. Where Lacey does succeed, however, is in highlighting two or three key concepts which Nozick utilises in several different

philosophical contexts (an example is the idea of 'tracking', which appears in his analyses of knowledge, rationality, and personal identity). This provides an interesting insight into Nozick's favoured methodologies for solving philosophical problems, if not quite achieving Lacey's aim of demonstrating 'the unity of Nozick's philosophy' (p. 17).

Lacey has produced an admirable treatment of a challenging subject. If, in the end, his book does not quite live up to its stated aims, this is not entirely the author's fault; to summarise and unify Nozick's diverse and occasionally obscure body of work in a concise and accessible format was always an ambitious task. Despite the difficulty of some of the material, it is hoped that enough readers will persevere with Lacey's volume to ensure that Nozick is rightly remembered as one of the most original and multi-faceted philosophers of his time.

**Reviewed by Jonathan Crowe**

***The Transfer Society***

David N. Laband and  
George C. McClintock  
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ECONOMISTS are well acquainted with Adam Smith's invisible hand story of how free, decentralised markets act as a catalyst for wealth creation. They are also familiar with the standard deadweight cost measures of various redistributive interventions such as taxes, subsidies, price/quantity controls, artificial barriers to entry, and other regulations. Standard economic analysis concludes that these programmes destroy consumer and producer wealth only to the extent that they divert economic resources

from high valued to low valued uses. The fact that such diversions are almost always vigorously pursued or opposed by certain individuals or groups of individuals is usually ignored.

We are only just beginning to systematically study and understand the process of how and why resources are directed towards establishing, preventing, sustaining, modifying and abolishing wealth redistribution programs and institutions.<sup>1</sup> These activities have been referred to by various authors as 'rent-seeking', 'invisible foot' and 'black hole' activities.

One of the main conclusions of this theoretical work is that the resources aimed at influencing the *distribution* of wealth—and which do not (either directly or indirectly) *create* wealth—should be added to standard deadweight costs to arrive at an overall measure of the welfare cost of redistributive programmes. But while the modern analysis of the rent-seeking society, beginning with Gordon Tullock in 1967, has spawned a voluminous literature, rent-seeking is still not included in the standard undergraduate economics curriculum in most universities. One possible explanation is that the costs of these activities are not large enough to concern welfare economists. In *The Transfer Society*, David N. Laband and George C. McClintock investigate this hypothesis by estimating the dollar costs of rent-seeking in the United States in the year 1997.

Laband and McClintock estimate the cost of rent-seeking in the United States at US\$546 billion (at 1997 prices). On the one hand, this seems small, relative to the overall size of the US economy. On the other hand, consider the following crude calculation: at current exchange rates, and ignoring inflation between 1997 and 2001, the Laband-McClintock costs amount to AU\$1060 billion. According to recent Australian Bureau of Statistics data, Australian GDP

