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Dear Dr. Heath:

Your recent article in the AMERICAN JOURNAL OF ECONOMICS AND SOCIOLOGY touched on an area of inquiry about which I have given considerable thought; namely, whether the economist, as economist, is equipped with the analytical tools to formulate a serious theory of justice. I suggest that the problem stems from the economist's attempt to evaluate incremental changes in policy from the standpoint of utility achieved absent full consideration of more fundamental moral principles attached to socio-political arrangements.

Economics gained an added dimension only when Liberalism appeared in the twentieth century. In addition to providing cost/benefit analyses to militaristic state systems, economists entered the realm of domestic policymaking through the back door of banking and credit. These are not areas in which just arrangements are very much considered. The economist is seldom asked for advice on how to free markets from controls; rather, policymaking is by its nature a monopolistic endeavor.

Our history is testimony to the fact that politics dictates economics, meaning that socio-political arrangements -- through such state systems as titleholdings, licenses and taxation -- determine how access to nature and other privileges are apportioned. Even within our democratic-republican environment the hierarchy of power results in substantial coercion, suggesting that all economic activity must operate within a structure that does not permit market (i.e., win-win) exchanges to freely occur.

Invoking Mill's position that justice cannot exist without liberty, you raise the necessity of first defining liberty. Which, of course, is considered outside the parameters of the economist, as economist. Defining liberty and justice, then, requires an understanding of socio-political history few economists have bothered to explore. Prejudices acknowledged, Adam Smith was as much an historian as he was the political