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A THEORY OF EQUALITY AND INTANGIBLE WEALTH DISTRIBUTION

Mahmoud Yousef Askari

Al Ain University of Science and Technology, UAE

In this paper, I present a new vision of fairness and a Theory of Equality and Intangible Wealth Distribution. The paper offers a discussion on how equality and the distribution of intangible wealth are linked to equality in the dissemination of knowledge through academic institutions. It also presents a rationale for an equal distribution of intangible wealth, how intangible wealth of nations is increasing, and how intangible wealth is linked to the modern means of production. This paper also introduces a formula to measure the value of intangible wealth at the individual level, explains the superiority of this wealth, and highlights the role of academic institutions, researchers, and professors in the production and distribution of knowledge assets.

Keywords: Equality, Knowledge dissemination, Intangible wealth.

Introduction

The sensitivity of the notions of fairness, equality, and wealth distribution makes addressing these issues a complex matter. Throughout history, societies have tried to provide sufficient answers to these tough questions but these answers have, arguably, failed the test of time. The typical understanding of wealth has changed with the advancement of knowledge and technology, and the mechanism of wealth creation and distribution would therefore need to be redefined. New meanings should be dragged to the analysis table and a better understanding of the new realities of wealth creation should be presented to suit the needs of today's societies. Thus it is important to tackle these topics and attempt to contribute to their meaning and understanding and this paper is an attempt to do so. The first section of the paper provides a brief historical background on the notions of fairness and equality, their link to the distribution of wealth and income in history, and how these philosophical ideas were created. The second section introduces a new vision of fairness and a Theory of Equality and Intangible Wealth Distribution. This section includes a discussion on the relationship between fairness, equality of opportunity, and intangible wealth distribution.

Historical Background

The notions of fairness and equality of opportunity have appeared for the first time in ancient Greece and have been commonly linked to what is known as 'a classless society'. According to Pipes (2003), "Ancient Greece happened to have been the first country in the world to recognize private property in land and to treat land as a commodity, and hence it was the first to confront the social inequalities that result from ownership." (p. 3). He also noted that the earliest conceptual construct of these ideas was presented in *The Republic*, a book written by Plato in 380 BC. Social inequality, according to Rigney (2010), goes back to the time of Jesus in what sociologists call: the Mathew effect. Rigney tried to explain how wealth creates more wealth and how poverty leads to more poverty and cited "a verse in the Gospel of Matthew (13:12), which observes that "for whosoever hath, to him shall be given, and he shall have more abundance: but whosoever hath not, from him shall be taken away even that he hath." (p. 1).

But while the notions of fairness and equality have been usually linked to a classless society, they have also been linked to wealth and income distribution. According to Skousen (2006), the idea of wealth distribution is only two and a half centuries old. He stated that it was Jacques Turgot, a French scholar, who wrote the first book on the distribution of wealth in 1766: *Reflections on the Formation and Distribution of Wealth*. However, the real story of modern wealth and capitalism was told by Adam Smith in his 1776 book: *The Wealth of Nations*. In the same year of 1776 and on the 4th of July in that year, another capitalism story (reality) was written when the American Declaration of Independence was signed, and as Skousen put it, the world has witnessed the birth of capitalism on one side of the Atlantic, and the birth of the largest capitalist nation on earth on the other side.

After the industrial revolution in the nineteenth century and due to the exploitation of workers, calls for fair treatment of the working class began in industrial countries. This has inspired another European philosopher to call for revolutions to overthrow capitalism. The year of 1848 had witnessed the first real attack on private properties and wealth after the publication of Karl Marx influential book: *The Communist Manifesto*. 69 years later, the communist ideas were adopted in Russia through Lenin's Bolshevik Revolution of 1917, and later in other countries, but did not succeed in many other parts of the world. Communists have failed to sell the idea of common ownership of the means of production in the West and failed to convince societies that wealth should be confiscated from capitalists (bourgeoisie) by labourers (proletariats) through labour-led revolutions, and then managed by totalitarian regimes and centrally-managed economies. This has led to the acceptance of alternative philosophies by moderate groups in many countries to balance the social wheel and made room for 'equality of opportunity' rather than 'equality of distribution' (Daniels, 1993; Pipes, 2003; Potrafke, 2011; Skousen, 2006).

Equality and Communism

The rationale of communism is built on the struggle of classes. Communists understand 'war' as a conflict between classes instead of a conflict between nations (Pipes, 2003). Their wealth redistribution, according to Daniels (1993), was driven by these ideas. Communists claim that "capitalists confiscate the fruits of their workers' labour and reinvest the profits to accumulate still more wealth" (Rigney, 2010, p. 36). Skousen noted that "Marx and the socialists stress how the economy is divided up among various groups or classes" (p. 55). He added that "They viewed the economy as if it was a large cake, where a larger dessert for capitalists and landlords could only mean a smaller piece for workers" (p. 57). Also, the communists' view of wealth was based on a tangible (physical) view of wealth that was legally earned and /or owned by citizens. This traditional view of wealth in its tangible form is, indeed, outdated and does not represent the modern wealth in both its tangible and intangible forms.

Equality and Neoliberalism

On the right side of the economic scale, capitalism, with its neoliberal face, has been the other reality for many societies. Neoliberalism was defined by Duménil and Lévy (2011) as "a new stage of capitalism that emerged in the wake of the structural crisis of the 1970s." (p. 1). Some of the key advocated neoliberal policies include: further deregulation of the economy to free markets from any restrictions, free trade and open borders, smaller governments, privatization of traditional public services like education and healthcare, and the abolishing of many social programs. These Neoliberal policies have, arguably, failed to be the cure for the communist ideology. While the model of capitalism that was suggested by Smith (1776) was promoting economic growth with harmony among classes, neoliberalism, according to Steger and Roy (2010), has "created both winners and losers in the globalizing economy. Its uneven distribution of material benefits sparked serious challenges and crises." (p. 119).

Nonetheless, both communists and capitalists are finding different reasons for the existence of inequalities in societies. Capitalists claim that "the rise of inequalities is largely attributable to differences in motivation, talent, and personal initiative. Others [communists] find the roots of inequality in brute force and the exploitation of the powerless by the powerful." (Rigney, 2010, p. 2). The failure to achieve equality of wealth and income distribution, according to Potrafke (2011), has led to the promotion and adoption of equality of opportunity as an alternative philosophy.

Theories of Fairness, Justice, and Equality

Equality of opportunity was defined as "levelling the playing field according to which society should equally split the means… once the set of opportunities have been equalized, which particular opportunity the individual chooses from those open to him/her is outside the scope of justice" (Bishop & Zheng, 2008, p. 68 – 69). This understanding of equality was adopted by some social democratic welfare countries like Sweden, Norway, Denmark, and Finland which have a "universal citizenship approach, place greater weight on equality of outcome, and understand opportunity inclusively as equality of opportunity across social groups" (Taylor-Gooby, 2011, p. 151). Equality was also defined by O'Brien (2011) as an equal treatment of all citizens regardless of their social status, age, gender, or race. He suggested that in some cases, the unequal treatment of different citizens can lead to equality because the needs of different groups in a society are not equal. According to McShane (2001), inequality can be acceptable if "(1) everyone has equal access to the favoured positions in society, and (2) the inequalities are ultimately in the best interest of the least well off in society." (p. 76). Similar ideas were also suggested by Lessnoff (1971) who stated that "inequalities are arbitrary (unjust) unless it is reasonable to expect they will work out for everyone's advantage, and unless the positions and offices to which they attach, or from which they may be gained, are open to all" (p. 65).

One of the most influential advocates of the notions of justice, fairness, and equality of opportunity was the American philosopher John Rawls. Rawl's (1971) *Theory of Justice*, which was later revised in Rawls (1985), is "a philosophical justification of the norms of liberal democratic society" (Lessnoff, 1971, p. 63). According to Rawls, "no one should be advantaged or disadvantaged by natural fortune or social circumstances in the choice of principles… [and] that it should be impossible to tailor principles to the circumstances of one's own case" (p. 16). He suggested that "if a man new that he was wealthy, he might find it rational to advance the principle that various taxes for welfare measures be counted unjust; if he knew that he was poor, he would most likely propose the contrary principle" (p. 17). To overcome this problem in choosing principles, Ralws suggested that an individual should be, hypothetically, deprived of knowing his personal circumstances when choosing policies and principles. Rawls' idea meant that if an individual is asked to choose an alternative from within what Rawls called an "original position", and since the individual is not supposed to know what his/her specific title role or status in a society will be, the individual would have to select from behind what he called "a veil of ignorance". Moreover, Rawls called for a fair equality of opportunity in which social and economic benefits, offices, and positions are open to all citizens. His idea meant that if two individuals with similar skills, qualifications, intelligence, and motivation are competing for a position in a society, the two should have similar prospects of success.

The Inability of Taxes to Overcome Inequality

Many nations around the world have been using their tax systems as tools to overcome social inequality and to redistribute wealth and income. Although taxes have been serving as major sources of revenues for governments, they have also been used as instruments to redistribute wealth and income through progressive, regressive, and proportional tax systems. However, the distribution of wealth and income through taxes might not be enough to overcome inequality. According to Sugin (2004), "no tax system, by itself, is capable of carrying out a conception of economic justice" (p. 1993). She suggested that progressive tax systems and their ascending rates are not able to fairly distribute wealth, income, and opportunities in a society. She added that there has to be a mixture of taxes, subsidies, equality of educational opportunities, government regulations to regulate markets, and a combination of other economic and social policies to guarantee that citizens are offered the basic least requirements of fairness and equality.

Equality and Higher Education Funding

The notion of equality of opportunity with a direct link to the affordability and accessibility of higher education in many countries has its share in literature. Woodhall (2007) suggested that equality of opportunity has been a major focus in higher education funding debates. According to Conlon (2006), removing financial obstacles and facilitating access to higher education is "the foundation of equality of opportunity" (p. 2). He suggested that accessibility of low income students has been affected by public funding cuts and might contribute to the increasing gap between low and high income citizens in a country. The same accessibility problem was noted by Johnson and Rahman (2005) who suggested that in Canada, "higher tuition levels in the 1990s did reduce the probability of university participation by persons aged 17,18 or 19 relative to a province specific trend increase in university participation." (p. 101).

The Proposed Theory of Equality and Intangible Wealth Distribution

This paper argues that governments should facilitate equal distribution of intangible wealth (knowledge) to all citizens who are willing and able to attend a wealth distribution centre (academic institution) to claim their share of intangible wealth. In this paper, I argue that a society can get closer to achieving the goal of equality through the removal of financial barriers from the gates of academic institutions and through facilitating equal chances for all citizens to obtain knowledge. This vision is based on the assumption that an equal chance to get education will lead to fair social and economic competition among members and will, indirectly, redistribute wealth in a society. This paper is proposing that citizens should write a new social contract that will guarantee equal chances for all willing citizens to enter the nation's academic institutions.

While it is critical for a fair society to overcome any form of discrimination, the focus of this paper is on financial discrimination in relation to the attainment of education. It may not be accurate to assume that citizens of different races, genders, or colors are competing on equal grounds if some were financially able to enter higher education to compete, and some were not able due to financial restrictions. Enabling all citizens who are willing and academically capable to reach their highest academic potential is critical for an equal and just society. Blocking the roads to success by moving away from a publicly funded higher education system to an increasingly private system might increase the financial challenges of less fortunate citizens and might also affect their ability to compete for social and economic opportunities. One can clearly imagine how "initial advantage tends to beget further advantage, and disadvantage further disadvantage, among individuals and groups through time, creating widening gaps between those who have more and those who have less" (Rigney, 2010, p. 1). This paper is proposing that an equal chance should be given to all citizens to build a better future. This is <u>not</u> a call to redistribute the earned and/or owned wealth of the rich to the poor, but it is a call to give the less fortunate citizens the needed tools to make their own wealth. There is a need to distinguish between what people can do and what they are enabled to do.

This paper is not proposing an 'equality of outcome' approach. Many welfare democratic states have been shifting away from the notion of equality of outcome. According to Taylor-Gooby (2011), "welfare states have in general moved towards greater emphasis on individual responsibility to grasp opportunities and away from state responsibility to ensure greater equality of outcomes." (p. 152). It is, therefore, the responsibility of citizens to follow the roads of success by committing themselves to enter the open doors of tuition-free academic institutions. But it is first the responsibility of governments to open these academic doors for good and to support and initiate policies to keep these doors open.

It is beyond the reach of an equal society to guarantee a definite outcome for all citizens. A society can pave the way and remove the obstacles for its citizens to reach an expected happy end. But the realisation of this happy end will still be a function of the motivation of individuals and their personal initiatives to utilize the available social benefits and contribute to their own success by adding their efforts to build a better future. A society can provide citizens with the intangible wealth of knowledge, but it is through their own efforts and hard work that they can enter the paradise of knowledge and harvest their own fruits.

A Definition of Intangible Wealth of Citizens

I define intangible wealth of a citizen as the skills and knowledge of that citizen that can be acquired through different levels of education.

It is important to refer to citizens' knowledge as 'wealth' and it is important to redefine wealth in its intangible form. It is also important for a society to fine-tune its understanding of the distribution of wealth to include knowledge as the modern wealth maker in a knowledge-based economy. Likewise, the mechanism of wealth distribution should also be redesigned to accommodate an indirect distribution of tangible wealth through equal and direct facilitation of the attainment of intangible wealth. It is important for a society to adopt a 'harmless mechanism of equality', where a fair treatment of some is not at the expense of others. Social problems should not be solved by causing harm to others or by creating further social problems. The happiness of some segments in a society should not be constructed on the misery of other segments and fair social ends should not justify any harmful means.

The Rationale for an Equal Distribution of Intangible Wealth

The equal distribution of intangible wealth through the facilitation of tuition-free higher education is, arguably, the prerequisite for fair and equal competitions for opportunities, offices, and positions in a society. It would be hard to apply the notions of fairness and equality of opportunity, as explained by Rawls' (1971), without enabling the competing members to stand on the same level of skills and competencies. Before a society can guarantee an equal chance of two individuals with the same skills to succeed in winning a position in a society, the society must first facilitate equal attainment of these skills by its willing and academically able citizens. If a citizen is denied the right to learn and gain the needed skills to compete with other members of a society due to financial restrictions, this citizen will not even be able to apply for these positions, and any discussion of fair equality of opportunity will be irrelevant. Thus, an equal distribution of intangible wealth through free access of citizens to wealth distribution centres is, arguably, the prerequisite for fairness and equality of opportunity.

It would be rational to assume that the number of poor citizens might increase as their education levels decrease. It is logical to think that less funding for academic institutions would create an affordability problem and lead to less attraction to education, lower paying jobs due to lower levels of education, and more citizens registering for social assistance. It is also reasonable to argue that financial barriers to enter higher education can create new generations of poor citizens who are struggling to manage a career in a knowledge-based economy. Providing equal access to higher education, regardless of the ability to pay, might help remove the need of the less fortunate citizens and might replace it with the power to contribute to an equal society. By enabling all willing citizens to reach their knowledge potential and collect their intangible wealth, citizens will have a better chance to start their human life investments and build their self-sustained human enterprises. Citizens with education have higher income, are holding better paying jobs, and are contributing to their regions and communities (Canadian Centre for Policy Alternatives, 2012). Good wages can be the road to personal wealth, and as Duménil and Lévy, (2011) noted, "a large fraction of the income of the wealthiest segments of the population is made of wages." (, P. 73).

The Role of Wealth Distribution Centres

Academic institutions are the 'Wealth Distribution Centres' of nations, and professors and researchers are the producers and transmitters of this intangible wealth. In these centres, the intangible wealth is created by 'Wealth Producers' and shared with all those who come to claim their share of intangible wealth. Colleges and universities should no longer be the place to get a diploma or a degree only. Their true identity should be revealed by adding "*A Wealth Distribution Centre*" to the names of academic institutions. This title could help in highlighting the wealth creation role of academic institutions without affecting the many other well-established roles of colleges and universities. It is logical to assume that most positions in a job market would require some level of training (e.g., high school, college, or university education). It would be hard for world citizens to manage without obtaining some skills and knowledge. It was reported by Statistics Canada (2013) that "between January 2011 and January 2013, occupations requiring a college education or apprenticeship training rose by 267,000, or 5%. Occupations requiring a university education grew by 120,000, or 4%" (p. 2).

The Increasing Intangible Wealth of Nations

The intangible wealth of nations has been increasing over time, has been increasing with new claimants of wealth, and the share of one's intangible wealth is not reduced by a bigger share of someone else. In fact, a citizen's share of intangible wealth might even increase with new claimants of the 'intangible pie'. The exchange of thoughts, knowledge, and ideas is a process that can only increase one's inventory of this intangible treasure. For example, if two individuals with two ideas (each one with one idea) are sharing the knowledge of their two ideas, each one of them will end up with an inventory of two ideas (his/her idea and the other individual's idea). Unlike the case of sharing knowledge and ideas, if two individuals with one dollar each are exchanging their dollars, each one will end up with only one dollar. If one of the two individuals is forced to give up that one dollar, one of them will have zero dollars and one will end up with two dollars. The total sum of dollars will always be two between these two individuals, regardless of the way the two dollars are divided. In the case of sharing knowledge and ideas, the total sum of knowledge was doubled to four (two ideas for each individual). Now if one conducts a thought experiment and imagine how this intangible wealth might multiply by the spread of knowledge, the result might be amazing. The size of the wealth pie might grow beyond the borders of one nation and will spread around the globe.

The intangible wealth is a very personal wealth. It is a wealth that is built in the brains of individuals, it travels with them wherever they go, and they might even take it to their graves if they chose not to share it with others before they die. Nobody can take it away from them unless they are willing to share it with others, and it cannot be confiscated by any totalitarian authority. The ownership of this wealth is the ultimate ownership of a private property. Except in some copyright cases, this wealth may not be inherited by family members. Each generation would have to build its intangible wealth through its efforts to acquire knowledge, and each generation would have to earn, not inherit, its silver spoons of knowledge. In a fair and equal society, every newborn baby would have an equal chance to reach a top position in society, through an equal chance to access all levels of education, even if the feeding spoon of the baby was made of plastic.

What really makes the intangible wealth unique and different from other types of wealth is that it cannot be purchased by money. While an individual might be able to purchase all kinds of tangible wealth by money, including the purchase of currency with another currency, knowledge can only be acquired by individual efforts to learn and gain knowledge. But the greatest fairness and equality of this respected wealth is that all members of a society are equal in the requirements to graduate with a degree or a diploma. Citizens, regardless of their 'gold, silver, or plastic spoons', are equal in a classroom environment. They read the same books, write the same assignments, and graduate after fulfilling the same requirements. Nobody can legally and/or morally buy certificates, diplomas or degrees, and even if someone was able to 'buy' a certificate, the knowledge behind that certificate may never be acquired without one's efforts to learn. Thus, societies' efforts to allow all social members to compete in classrooms might be the real test of fairness and the first step towards equality of opportunity.

The Means of Production and Intangible Wealth

The distribution of intangible wealth is not another social slogan. In fact, it is right in the heart of a knowledge-based economy. The means of production in the new economy are heavily dominated by human invented technology and by the skills and knowledge of citizens in their organizations. The traditional understanding of the means of production in the form of physical inputs in the production process that includes machines, factories, raw materials, and land, and excludes knowledge from the process is, arguably, outdated. The knowledge input in today's production of goods and services is a key factor in the process. Limiting and restricting the dissemination of knowledge by restricting access to nations' wealth distribution centres might restrict this important factor in today's economy. The intangible means of production in the form of human skills and knowledge could be affected by the rising cost to attain this intangible wealth. Restricting the creativity of the human mind is equal to restricting the use of machines in an industrial-based economy, or farmland in an agricultural-based economy. It is, therefore, important to support and unleash the intangible human means of production by optimizing and facilitating citizens' acquisition of skills and knowledge.

However, some people, occupied with a traditional view of wealth in its physical form, might still argue that the facilitation of an equal distribution of intangible wealth through a free access to higher education will do nothing to reduce social inequalities of societies because there is no real value in this wealth. Indeed, I argue that there is a value and the following section is an attempt to measure, explain, and analyse this value.

Measuring the Value of Intangible Wealth

The intangible wealth of a citizen has a value that cannot be materially touched by hands or deposited in a personal bank account. But it is the knowledge wealth of a citizen that can be used to generate real tangible wealth. It is the needed skills and knowledge to do a job for an organization and earn a salary, or to open a business and make a profit. The generated salaries or profits through the use of knowledge are real wealth that can be used to buy goods and services, including the acquisition of other forms of tangible wealth (e.g., buying cars, houses, or depositing cash in a bank account). An individual might not be able to earn employment income without using some of his/her own skills and knowledge to perform a job or to manage a business and earn a profit. Thus, intangible wealth can be used to generate income and, therefore, it has a value that can be measured.

This paper is providing the following explanation that has the potential to realistically measure the value of intangible wealth of citizens.

The intangible wealth value of a citizen is equal to the amount of money that should be invested in an investment (e.g., government bonds with a 3% rate of return) to generate the same amount of money earned by that citizen through the use of his/her intangible wealth. This means that a person without employment income would need to invest a certain amount of money in an investment to generate the same annual employment income. This explanation is summarized in the following formula:

The intangible wealth of a citizen = (the citizen Annual income) / (an investment rate of return).

To illustrate, this is an example:

If the annual income of a citizen = $45,000 and the available rate of return = 3%, then the intangible wealth of the citizen = ($45,000) / (3%) = $1,500,000.

This means that a citizen with an annual income of $45,000 has an intangible wealth value of $1.5 million. In other words, an individual who lacks this intangible wealth will need to invest $1.5 million and earn 3% annual return to generate the same income per year ($45,000). Thus, the intangible wealth of a citizen is estimated to be the amount of money that should be invested in an investment to earn the same amount of money as that citizen's annual income. This proposed formula does not require any sophisticated mathematical understanding or an accounting, finance, or economics background. It is a formula that is built on common-sense and can be used by common people.

The above calculations make it easy for one to claim that the intangible wealth of a citizen has a value. If we would switch the formula backward and think of an individual who has just inherited $1.5 million from a wealthy mother, the most rational option for this individual would be to invest this money in a safe investment. This individual might just invest this money in a safe government bond, and the individual would be happy to make 3% interest due to traditionally low interest rates. But for the sake of the example, let us assume that this individual was able to invest the $1.5 million in a 3% government bond. This investment will generate an annual income of $45,000:

$$\$1,500,000 * 3\% = \$45,000$$

This means that the real wealth of this individual (the $1.5 million in cash) is equivalent to the intangible wealth of someone using his/her 'knowledge wealth' to make an income of $45,000.

The above analysis shows that the intangible wealth of a citizen has a value that can be converted to real wealth (money) by the citizen. An equal opportunity to obtain this 'soft' wealth might be the road to an equal distribution of the real wealth. It would be left to individuals to invest their soft intangible wealth the way they want. Investing this wealth in a job and taking home a salary is only one way to invest one's knowledge and skills. People can choose to invest their knowledge and smart ideas to start a business and become a 'knowledge capitalist'. Many successful corporations like Microsoft, Google, Facebook, and eBay, just to name a few, were created with smart ideas. The real invested physical capital was negligible if compared to the superior ideas of the founders of these companies when these corporations were created.

What Does it Take to Be Wealthy?

One could argue that the true value of any form of wealth lies in its ability to generate income or any other form of benefit. In fact, the power to generate income and cash flow are known ways to estimate the market value of corporations and their shares in the stock market, regardless of the book value of the fixed assets of these corporations (Hackel & Livnat, 1992). The use of what is known as the price-earnings ratio to evaluate the value of a stock in the stock market is commonly practiced by investors and wealth managers and is dominating most finance textbooks (Jones, 1999; Pinches, 1984; Ross, Westerfield, Jordan, & Roberts, 2007). The power to generate income is the secret of success for successful business organizations, regardless of their ownership of physical assets (e.g., machines, tools, factories, buildings…). The ability to maintain the flow of cash to pay creditors and employees (and also to make a profit) is what keeps the doors of business organizations open. Failure to maintain a flow of cash can lead to bankruptcy. A business cannot pay creditors and employees without a continuous flow of cash, regardless of the availability and worth of its fixed assets.

So, what does it take to be wealthy? Do people need to own businesses and properties to have a feeling of wealth? Can the ownership of the physical wealth *per se*, replace the need to have a steady flow of income? I argue that the value of one's tangible and intangible things is stored in the benefits one gains from owning these things. For example, people buy houses to gain the benefits of living in houses, to offer these houses for rent, and/or to wait for their price appreciation to benefit from capital gains. Likewise, people buy cars to benefit from driving them to places they wish to go to. The benefit from driving a Mercedes is an indication of the value of that Mercedes and is used by its buyers and sellers to justify its price. Income, as one form of benefit, is an indication of the value of the wealth that has been used to generate that income. But owning, in itself, can only fulfill the desire to own if no benefits are expected to be gained. The value is in the gained benefits in the form of a steady flow of income, future capital gains, or other forms of financial, social, cultural, or personal benefits. The generated income and benefits can make people have a feeling of wealth when they use their income to purchase consumable goods and services, go on vacations, or buy other luxury goods and services. Thus, citizens who are using their income to purchase the needed goods and services are, indeed, wealthy citizens, regardless of the type of wealth that has been used to produce their income.

In reality, a landlord would use the income generated from the owned properties to purchase and consume goods and services, to add more cash to the bank account, to invest the income in other projects or properties, or to do all of the above at the same time. But while landlords can liquidate their properties and spend the proceeds the way they want, they do not usually do things that way. For example, if somebody owns a property that has a value of one million dollars and decided to sell the property and to spend $100,000 every year, this individual will have nothing to spend after 10 years. Because people are rational, they do not usually liquidate their tangible wealth and spend the proceeds. Instead, they try to maintain the 'cow' for a continuous production of 'milk'.

Similarly, the value of intangible wealth can be seen through the ability of the wealth to provide income to wealth holders. Its invisible physical appearance should not mean that it does not exist. It is moving around with the movement of skilled and educated people, and it is contributing to their progress and success in life. It is their milk producing cow and their egg laying chicken. It is their heavy weight properties in a light weight shape. It is their proudly owned capital and their highly respected wealth. It is their ticket to a better future and their train to social and economic prosperity. It is, indeed, beyond explanation, and beyond the ability of one's common words to describe.

The Value of Intangible Wealth in Different Places

Similar to the physical types of wealth which can have different values in different places, intangible wealth can also have different values in different places. The value of a three bedroom bungalow in Sudbury, Ontario is different from the value of the same bungalow in Toronto, Ontario. Likewise, the same skills and knowledge of a citizen can have different values in two different locations. But while the owner of a bungalow in Sudbury cannot physically move the bungalow to Toronto to double its value, the owner of intangible wealth can carry the heavy, but light weight, intangible wealth to a different place where income, and consequently the value of the wealth, can be higher. A person can even move outside the borders of a nation and invest his/her knowledge wealth in a different country where higher income can be made. The extreme light weight of intangible wealth makes it easy for wealth holders to move around the world and take advantage of global opportunities.

The Superiority of Intangible Wealth

Intangible wealth makes the value of wealth holders (educated citizens) grow with the growth of their inventory of wealth. The accumulation of knowledge and experience and the ability to invest the acquired knowledge to generate higher income is a mechanism to grow one's intangible wealth. As people learn and gain more knowledge, experience, and skills, the value of their intangible wealth grows through the progress of their careers or the success of their businesses. Unlike some physical forms of wealth (e.g., buildings, factories, machines…) which are subject to depreciation, the value of this soft wealth appreciates throughout the working life of a wealth holder. This means that wealth holders need not to worry about the devaluation of their intangible wealth if they are able to keep up with knowledge development. The superior nature of this soft wealth can make it the ultimate storage facility of value over the working life of a citizen.

Unemployment and Intangible Wealth

Intangible wealth holders can go through periods of unemployment in their life time. This does not make the value of their intangible wealth equivalent to zero. Their skills and knowledge can be considered as uninvested wealth, similar to an amount of money sitting in a checking bank account waiting to be invested in the right investment. But with the existence of Employment Insurance which is funded through payroll deductions from the income of wealth holders and employers, the flow of cash from this insurance fund will provide temporary income to wealth holders during periods of unemployment. This, in a way, can be considered a good feature of this wealth which has the power to provide some income even when the wealth is not invested. In fact, none of the other types of wealth can actually give returns to their owners without being invested. An amount of cash sitting in a checking bank account would usually have to pay bank service charges. Also, a business that is not producing goods or providing services would still have to pay any fixed costs during periods of no activity to sustain the business, and would have to manage without revenues. Thus, the risk of unemployment in the case of intangible wealth can be insured with the existence of employment insurance while regular tangible wealth has its own uninsurable risk.

Conclusion

The equal distribution of intangible wealth is, arguably, a mechanism to equally spread the real wealth of a nation, without reducing one's own share of tangible wealth. This equal distribution requires the removal of financial barriers from a nation's wealth distribution centres. Equal access of citizens' to these centres should not be financially restricted. If a society could guarantee an equal distribution of its knowledge assets, it might be in a better position to guarantee an equal distribution of its real assets. Giving citizens equal chances to compete for social and economic positions should be preceded by assisting all willing and able citizens to stand on equal competing grounds. The lack of fair and equal competition is not a sign of fair and equal society. Without fair grounds to compete for a better future, social and economic justice might not be served. The wealth of a citizen can be linked to the ability of a nation to facilitate equal acquisition of knowledge assets. It can be beyond the ability of those who have the desire to learn but lack the means to open the financially-protected gates of knowledge in a given nation. Societies need to print the tickets to a better future for their citizens, but it is up to citizens to travel as far as their abilities can take them.

The dream of living in a fair, equal, and just society might be the dream of all humans, regardless of their wealth and social status. The need for equality does not change with time, age, race, or gender. It is an ongoing need and an everlasting desire. The need to be treated equally at the doors of academic institutions should not stay at the 'wish' level and should rise to the level of a 'right' in a just society. The need to be treated equally should be reinvented with a larger vision to suit all citizens, including the financially-impaired but able citizens. Thus, a fair vision should be inclusive and wide, and no one with a desire to learn should be left behind.

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