

Markets and Morality

Discussion Colloquium

Sponsored by the Institute for Humane Studies

Reader Abstract: This reader focuses primarily on the philosophical arguments for and against markets, rather than focusing on the productive benefits of different economic systems. The general theme of the reader revolves around the question of whether or not markets help facilitate a more virtuous and cooperative society, or whether markets incentivize corruption and greed, represented in the first three sessions. The final session deals with the way in which markets elevate the well-being of the global poor.

Session 1: Markets and Social Cooperation

Clark, J.R. and Dwight R. Lee. "Markets and Morality." *Cato Journal* 31, no. 1 (2011): 1-25.

Mises, Ludwig von. "Human Cooperation." In *Human Action: A Treatise on Economics, Volume 1*, 143-145. Edited by Bettina Bien Greaves. Indianapolis: Liberty Fund Inc., 2007.

Session Abstract: The first piece introduces the reader by presenting the distinction between mundane and magnanimous morality, which can help frame all of the subsequent readings. The second piece offers Mises's explanation on the way markets facilitate human cooperation, rather than the competition analogy that is usually applied to markets.

Session 2: Socialism and Equality

Cohen, G.A. *Why Not Socialism?* Princeton: Princeton University Press, 2009.

- "The Camping Trip," pages 1-11.
- "The Principles Realized on the Camping Trip," pages 12-45.

Nikonov, Leonid V. "The Moral Logic of Equality and Inequality in Market Society." In *The Morality of Capitalism: What Professors Won't Tell You*, 55-62. Edited by Tom G. Palmer. Washington, D.C.: Students for Liberty and Atlas Economic Research Foundation, 2011.

Lachmann, Ludwig. "The Market Economy and the Distribution of Wealth." In *The Morality of Capitalism: What Professors Won't Tell You*, 225-240. Edited by Tom G. Palmer. Washington, D.C.: Students for Liberty and Atlas Economic Research Foundation, 2011.

Session Abstract: The first reading presents Cohen's famous camping allegory from which he derives his two principles of socialism: equality and community. Cohen represents the counterview, arguing that markets facilitate selfishness. The second piece offers a unique view in favor of inequality, arguing that inequality isn't just inevitable, it's a necessary prerequisite for exchange to take place. The Lachman article complements the first two by offering a critique of distributive justice from an economic perspective.

Session 3: Economics and Virtue

Brennan, Jason. "Do Markets Corrupt?" In *Economics and the Virtues Building a New Moral Foundation*, 236-256. Oxford: Oxford University Press, 2015.

Nock, Albert Jay. "On Doing the Right Thing (1928)." *On Doing the Right Thing and Other Essays*, 161-178. Auburn, AL: The Ludwig von Mises Institute, 2007.

Session Abstract: The article by Jason Brennan directly takes on the "selfishness" objection and the "civics" objection to markets, arguing that markets do not make people less virtuous. The Nock piece offers a more general perspective on morality that contends that for a virtuous act to be virtuous at all, it must be voluntary, and therefore laws that intend to "force" people into acting virtuous are what actually cheapen moral acts.

Session 4: Global Markets

Smith, Vernon. "Human Betterment Through Globalization." In *The Morality of Capitalism: What Professors Won't Tell You*, 107-113. Edited by Tom G. Palmer. Washington, D.C.: Students for Liberty and Atlas Economic Research Foundation, 2011.

Yushi, Mao. "The Paradox of Morality." In *The Morality of Capitalism: What Professors Won't Tell You*, 43-54. Edited by Tom G. Palmer. Washington, D.C.: Students for Liberty and Atlas Economic Research Foundation, 2011.

Llosa, Mario Vargas. "The Culture of Liberty." *Foreign Policy*, no. 122 (January-February 2001): 66-71.

Session Abstract: This session focuses on the argument that markets facilitate human welfare. The first article looks at the spread of markets and its effect on global well-being. The second article looks at China, specifically, to demonstrate the way that self-interested behavior in the market helped facilitate human cooperation. The third article places the well-being argument in the context of cultural autonomy, arguing that capitalism doesn't contaminate unique cultures, but actually helps people develop individual identity within a society's culture.