Commodification: The traditional pro-market arguments

Marie Daou, Alain Marciano

▶ To cite this version:

Marie Daou, Alain Marciano. Commodification: The traditional pro-market arguments. The Routledge Handbook of Commodification, In press. hal-03876907

HAL Id: hal-03876907
https://hal-cnrs.archives-ouvertes.fr/hal-03876907

Submitted on 29 Nov 2022

HAL is a multi-disciplinary open access archive for the deposit and dissemination of scientific research documents, whether they are published or not. The documents may come from teaching and research institutions in France or abroad, or from public or private research centers.

L'archive ouverte pluridisciplinaire **HAL**, est destinée au dépôt et à la diffusion de documents scientifiques de niveau recherche, publiés ou non, émanant des établissements d'enseignement et de recherche français ou étrangers, des laboratoires publics ou privés.

Commodification: The traditional pro-market arguments[1]

Marie Daou and Alain Marciano
University of Montpellier and MRE

1. Introduction

Commodification has been proposed and defended in the first place because markets or the market as an institution has some virtues and advantages. Which are they? This is the question we try to answer in this chapter. We do not aim at giving an exhaustive view of pro-market arguments. Reviewing the huge literature in favor of markets would be too immense a task to complete. Probably impossible. We rather try to focus on the arguments that are important in the debates on commodification and to which arguments the anti-commodification theorists are responding. Our chapter is divided in three sections. The first two arguments relate to the moral or ethical dimensions of markets—on the one had, markets protect individual liberty and, on the other, they teach individuals moral principles and make them virtuous. The last argument would be efficiency, a major advantage of markets compared to other forms of organizing economies or societies.

2. Liberty, consent, and property rights

A first argument in favor of markets has to do with liberty. A market system leaves people "free to choose", to use Milton and Rose Friedman's words (1980). Markets respect individual economic freedom and guarantee that individuals consent to or, to put it differently, do not force or coerce them into the transactions they engage in. This was how Buchanan (1954, 340) characterized liberty—"somewhat narrowly as the absence of coercion". With this definition, he was perpetuating the Chicago tradition. Indeed, this was the definition of

[1] A first version of this paper was presented at the conference "Contested Markets: Theories and Controversies", Paris, 3-4 June 2022. We thank Élodie Bertrand, Vida Panitch and Aksel Sterri for extremely useful comments.

freedom used by Frank Knight (1941, e.g.)[2] and passed along to the next generation of Chicago economists. Or, even more precisely,

> "the central feature of the market organization of economic activity is that it prevents one person from interfering with another in respect of most of his activities. The consumer is protected from coercion by the seller because of the presence of other sellers with whom he can deal. The seller is protected from coercion by the consumer because of other consumers to whom he can sell. The employee is protected from coercion by the employer because of other employers for whom he can work, and so on." (1962, 14-15)

For instance, as some of the pro-market scholars note, including Adam Smith himself, the birth of a labor market, that is the commodification of labor, has made it possible to substitute an imposed master-servant relationship for a voluntary and free transaction. The argument was then more broadly also used by the partisans of an extended use of the market beyond its traditional limits about some potentially contested commodities such as blood (see, e.g., Cooper and Culyer, 1973; Reuben Kessel, 1974), organs (Brams, 1977,6) or babies (Landes and Posner, 1978; Posner, 1986 [1973], 141-142; 1979, 138-139; 1987; also, among many others, Pritchard, 1984). To these thinkers, markets are valuable, and market transactions legitimate, because the moment the individual engages in a market transaction, he or she can be taken to have consented to it. Indeed, choosing to engage in a transaction means consenting to it. Put differently, (competitive) markets are by definition characterized by what Debrah Satz calls the "possibility of exit" (2010, 25). This means or implies that no one is or can be coerced when engaging into market transactions, since she or he has consented to it. Thanks to the market, the individual satisfies his or her needs while preserving his or her freedom, and the freedom of others. Thus, coerced market transactions are, by definition, impossible. Posner extended the idea of a consent to its maximum by defining consent as "ex ante compensation" (1980, 492).[3] This means that, whatever the outcome of the transaction (even in the event of an accident or loss), the individuals have discounted and capitalized the future possible losses. When they engage in the transaction, they are already compensated for the losses because the price they pay include them.

Commenté [D1]: Répéttion.
Je l'enlèverai car on dit la même chose juste avant : "Thus, coerced market transactions are, by definition, impossible"

That individuals necessarily consent to the transactions they engage in – and therefore that markets promote freedom – depends on property rights.[4] Markets can hardly work

---

[2] In "The Meaning of Freedom" (1941, 91), Knight wrote: "freedom is the opposite of coercion".

[3] This definition is arguably narrow and specific (Dworkin, 1980; Westen, 2004a, 2004b).

[4] This is very close to Brennan's and Jaworski's "Principle of Wrongful Possession"—"If it is inherently morally wrong for someone to possess (do, use) X, then (normally) it is morally wrong for that person to buy or sell X."

without such rights. The relationship between markets (consent) and property rights work in two ways. First, individual property rights have to exist to allow uncoerced transactions. Free markets cannot function without property rights. This means that consent on the marketplace presupposes property rights – for consent to be meaningful, individuals need to have ownership in the goods they trade. Reciprocally, because it is assumed or claimed that markets guarantee voluntary transactions, it can be said that a market transaction also guarantee individual property rights. Indeed, if people have a right to their property premarket exchange, and people consent to all transactions, the new allocation of property will reflect what people rightfully own. Consequently, when a market transaction takes place, the parties' property rights are respected.

In the liberal economic tradition, freedom is closely associated with the two institutions, namely the market and individual (private) property rights. For liberal thinkers, liberty consists in the unhindered use of one's property. This is how property rights give to people the right to do whatever they want with what they own, including trading it on a market. Therefore, to prohibit, to limit or to undermine market transactions in one way or another prevents individuals to use their property rights and accordingly reduces their liberty.

This brings us to the specific case of self-ownership. Indeed, if individuals have rights, then "there are things no person or group may do to them (without violating their rights)" (Nozick, 1984, ix). Furthermore, if markets are based on consent, no transaction can take place to which an individual has not consented (and any transaction to which he or she has consented is admissible). Finally, if consent cannot exist without being in possession of the property of oneself, then having property or ownership rights over oneself should also be a necessary condition for the existence and functioning of a system of free markets. Indeed, self-ownership is defined by the fact "that there are things that may not be done to a person without their consent, but which may be done with consent."[5] Therefore, market participants are self-owners. Or, put differently, markets (and consent) *without* self-ownership are impossible. The absence of self-ownership empties consent and voluntarism from any meaning.

In addition to a certain circularity around the self-ownership argument (the property supposes self-ownership which is necessary to engage in transactions and at the same time the

---

(2016, 11). Unlike Rothbard''s analysis, they introduce the moral factor and do not directly discuss the question of inalienability of self-ownership when they formulate their principle. However, this one is debated later in their book (with the examples of right to vote and slavery).

[5] It is an extract of Stanford Encyclopedia of Philosophy: https://plato.stanford.edu/entries/libertarianism/

self-ownership is used to justify the notion of ownership), it is an extremely complex and difficult concept to grasp. From an ontological perspective, it could be argued that individuals may well have property rights on objects but no right over themselves because only an entity can claim an ownership right over human beings. For example, Christian religion considers that self-ownership does not exist: “the Lord owns the earth and all it contains, the world and all who live in it” (in the Bible Psalm 24 of David). From a philosophical perspective, another difficulty comes from the nature of what is owned. Cartesian dualism—or any form of dualism, for that matter—between the owner (the subject) and ownership (the object/body), makes self-ownership inconsistent. Thus, owning objects and owning a human being cannot be put on the same footing. This is what Emmanuel Kant, for instance, explained when he wrote:

> Man cannot dispose over himself, because he is not a thing. He is not his own property—that would be a contradiction; for so far as he is a person, he is a subject, who can have ownership of other things […] it is impossible, of course, to be at once a thing and a person, a proprietor and a property at the same time. (1997,157)

In view of the limits previously presented, self-ownership therefore appears to be a strong and debatable requirement to defend markets. However, if one leaves aside the difficulties about the notion of self-ownership and admits that human beings can own objects and themselves at the same time, then one question becomes important from the perspective of a discussion on commodification: can a market transaction—to which the parties have consented—allow individuals to abandon self-ownership? Can human beings or, even, can body parts be sold on a market? Is slavery, or voluntary enslavement, possible?

At first sight, liberty/consent and self-ownership seem to be complementary, rather than rival: property involves consent and disposing his freedom, his own body and his work. However, it seems there is a case where liberty and property are in competition when the ownership right of some legitimizes the deprivation of freedom of others or, put differently, when slavery exists. Thus, the materialist vision of slavery manifests itself in the denial of the right to freedom. In this specific case, property takes precedence over freedom and that is why Locke rejected the slavery. Actually, Locke put forward a twofold, and seemingly contradictory, reason to oppose slavery. First, he insisted that “every man has a property in his own person” (1824, 116), and consequently, no one can thus be deprived from the property of oneself. Second, he also noted that a human being does “not hav[e] the power of his own life” and therefore “cannot by compact or his own consent enslave himself to anyone, nor put

himself under the absolute, arbitrary power of another to take away his life when he pleases" (1824: 143; italics added).

Other pro-market scholars also oppose the selling of oneself into slavery. From this perspective, one of the most interesting positions is Murray Rothbard's. A libertarian, Rothbard developed an inalienability theory on self-ownership upon which rests his strong opposition to slavery—"slavery, and even "voluntary slavery," as we have seen, cannot be enforced on the free market because of the inalienability of personal will." (2004, 348). His point helps to clarify a pro-market argument about commodification. To Rothbard (1998, 40-41), "[t]he concept of 'voluntary slavery' is an oxymoron, "a contradictory one". Indeed,

> "so long as a laborer remains totally subservient to his master's will voluntarily, he is not yet a slave since his submission is voluntary; whereas, if he later changed his mind and the master enforced his slavery by violence, the slavery would not then be voluntary."

That slavery cannot be voluntary means that it can result only from violence. Rothbard again:

> "The interpersonal relation under slavery is… one of command and obedience, the commands being enforced by threats of violence. Thus, slavery… is defined as a system in which one must labor under the orders of another under the threat of violence." (2004, 82)

Thus, from this perspective, property rights over oneself are inalienable. Harold Demsetz made this point when discussing the importance of property rights, and that he made a connection with "slave labor":

> "A law which establishes the right of a person to his freedom would necessitate a payment on the part of a firm or of the taxpayer sufficient to cover the cost of using that person's labor if his services are to be obtained" (1967, 349).[6]

On the contrary, Nozick's position on this particular matter was anti-Lockean For instance, Nozick asked "whether a free system will allow [an individual] to sell himself into slavery", he replied, "I believe that it would" (1974, 331). Even if he specified that the individuals were not forced to accept the transaction; the decision to enslave oneself would have to be voluntary. And to Nozick, individuals are not coerced if they are led to choose an option that improves their situation. Thus, for instance, an individual could sell his lifetime labour to avoid starving and live a little longer.

---

[6] Another way of putting the argument would be by saying that it is not the selling of one object that is problematic but the conditions in which the object is sold. Which is exactly the point Debra Satz (1992; 2010) made in her discussion of surrogacy.

The same argument as Nozick is introduced by Walter Block (2003) who questions the idea of inalienable right on one's own person and supports the possibility that "everything should be legally alienable or commodifiable" (41), thus the "claim is that if I really own my liberty, then I should be free to dispose of it as I please, even if, by so doing, I end up no longer owning it" (44). From such a perspective, self-ownership does not impose any limit to the use of markets but consent, including the consent to abandon a further right to consent.

3. Markets, morality, and social cohesion

That markets—and market-based societies—could be vicious or virtuous has largely been emphasized by those who believe that everything should *not* be for sale, as Debra Satz put it (2010; see also Anderson, 1998; Sandel, 2012, 2013). For instance, Michael Sandel insisted that "some market transactions are objectionable" because of "the tendency of market practices to corrupt or crowd out nonmarket values worth caring about… nonmarket norms of moral importance" (2013, 123), such as love, or "attentiveness and thoughtfulness." (124)

Although made in the frame of a contemporary debate, such statements are not new. "There is a long tradition" Ian Maitland pointed out, that "go[es] back to Aristotle" and that consists in "viewing commerce as hostile to the virtues" (1997, 17) and in believing that "the market frees individual acquisitiveness from moral, social and/or religious constraints." (18) The very fact that markets lead individuals to focus narrowly on their own interests necessarily works to the detriment of their social obligations and moral duties. In this respect, markets do not only undermine the moral foundations of the good society, but also the moral foundations of market itself. Thus, wrote Fred Hirsch (1976, 122, 124), "the full permeation of an individualistic calculus", that characterizes a free-market economy, weakens the social morality that is necessary to guarantee an efficient functioning of markets. Markets do not only work against morality. By promoting individual values and immoral behaviors, they are also working against themselves.

Against such arguments, pro-market scholars have developed different analyses that do not always complement each other but that all contribute to defend the thesis that markets do not destroy morality and moral values.

A first line of defense can be found in the famous *Fable of the Bees* (1714) of Bernard de Mandeville. Self-interest—vices, in his words—are certainly not detrimental to the common good—or "public benefits", still his words. Much to the contrary. The pursuit of

self-interest, and the adoption of vicious behaviors, contribute to generate a wealthy and prosperous society:

> The root of evil, avarice, that damned ill-natured baneful vice, was slave to prodigality, that noble sin; whilst luxury employed a million of the poor, and odious pride a million more: envy it-self, and vanity, were ministers of Industry; their darling folly, fickleness, in diet, furniture and dress, that strange ridiculous vice, was made the very wheel that turned the trade. […].
>
> [However] vice nursed ingenuity, which joined with time and industry, had carried life's conveniences [...] Pleasures, comforts, ease, [...] nothing could be added more. (Mandeville, 1924 [1716], 24-25-26)

Thus, to Mandeville, markets encourage immoral individuals to behave morally, and work for the common good. Markets do not, however, transform individuals, do not improve their morality. Individuals remain self-interested, greedy, and vain. They put their "vices" at the service of the society.

A more ambitious pro-market argument consists in arguing that markets transform individuals. The thesis could already be found in the works of Montesquieu's doctrine of the "doux commerce". The following quotation perfectly illustrates what the doctrine means:

> "Commerce cures destructive prejudices, and it is an almost general rule that everywhere there are gentle mores, there is commerce and that everywhere there is commerce, there are gentle mores [...] Commerce […] polishes and softens barbaric ways" (2015 [1748], 338-339).

Here, one understands the difference with Mandeville's view: commerce, or put differently market exchange changes individuals; it is not only a matter of inciting them to behave morally but to become moral individuals. Here, market exchange is defended for moral grounds.

This view was further developed by the enlightenment philosophers and classical political economists[7] (see Hirschman, 1977, 1982; Maitland, 1997; for a recent and complete analysis, see Storr and Choi 2020). Markets "encourage" (Storr and Choi, 2020, 54) and "support moral development" (57). To be more concrete, the impact of markets is twofold. First, the market is supposed to limit or prevent immoral behaviors. Thus, Adam Smith, for example, believed that markets rest on mechanisms that lead economic agents to moderate the intensity of their passions (Paganelli, 2010), and temper the importance of their self-love (Walraevens, 2010). As Walraevens (2014) noted about Smith's analysis of markets: "the competitive market is a place of education in impartiality and self-control through the

[7] Among others, Adam Smith, David Ricardo, Robert Torrens or John Ramsey McCulloch and John Stuart Mill.

moderation of personal interest that it demands. No one can permanently impose their will on it" (426). Second, markets encourage moral behaviors. More precisely, markets are said to teach individuals how "to be better people" (Storr and Choi, 2020, 43). By which it is meant that markets teach individuals virtues such as honesty, tolerance, generosity, industriousness, frugality, probity, hospitality (Montesquieu). Virgil Storr and Vini Choi (2020, 53) quote Smith's *Lectures on Jurisprudence* (1762-1763) where one can read that market exchange (commerce) promote virtues such as "probity and punctuality".[8]

Crucial in this process is the role "sympathy" played. In Smith's theory, where sympathy is lacking, repeated contracts can generate minimal levels of courtesy: "The market promotes civility because commercial success depends on the courteous treatment of people who have the option of taking their business elsewhere" (Brozen, 1978, 15). Moreover, market participation develops and strengthens the ability to share the feelings or emotions of others. Indeed, in the economic system described by Smith, the division of labor makes the subsistence means of economic agents depend on the successful satisfaction of the needs of others. In other words, the interdependence between economic agents increases with the division of labor. Meanwhile, sympathy helps us anticipate the needs of others and combined with market exchange, contributes to economic success. Indeed, by allowing perspectives to be compared and the adoption of an impartial point of view through mutual concessions until a reciprocal agreement is obtained, the market participates to the social cohesion. It becomes the instrument of expression of sympathy, by supporting cooperation and economic relations.

Then, a third type of defense of markets on moral grounds consists in arguing that "[m]arkets... are *socializing* spaces." (Storr and Choi, 2019, 134; italics in original). The thesis was defended by economists as different as Léon Walras and Friedrich Hayek, but it tends to see the market as virtuous for a similar reason, for contributing to the promotion of social cohesion. This is thus how John Hicks (1934) interpreted Walras's general equilibrium theory, for having the merit of demonstrating the unity of economic life, with the idea that individual ends are made compatible by the market mechanism:

---

[8] "Whenever commerce is introduced into any country, probity and punctuality always accompany it. [...] Of all the nations in Europe, the Dutch, the most commercial, are the most faithful to their word. The English are more so than the Scotch, but much inferior to the Dutch [...]. This is not at all to be imputed to national character, as some pretend. There is no natural reason why an Englishman or a Scotchman should not be as punctual at performing agreements as a Dutchman. It is far more reduceable to self-interest, that principle which regulates the actions of every man, and which leads men to act in a certain manner from views of advantage [...]. A dealer is afraid of losing his character, and is scrupulous in observing every engagement". ([1762–1763] 1982: 588).

> One is the realization of the unity of economic life which emerges so forcefully from his pages. Other economists had had a sense of this unity, but none before had shown it so well. For the unity which Walras demonstrated is not a unity of resources being allotted among a single system of ends–the only unity which really appears in Menger—it is a unity of diverse individual ends reconciled through the mechanism of the market. (Hicks, 1934, 347)

In this sense, markets bring isolated and independent individuals together, link them to other individuals and therefore contribute to the stability of social relationships.

In the same vein, the economists from the Austrian school and the ordoliberals[9] also support the idea that the market is not simply a place where goods are traded. These economists are convinced that the market order is more than a term used to characterize a commercial society. It is a genuinely social institution that allows individuals to interact peacefully with one another to achieve ends that are not purely economic. One could also refer to Jacques Rueff, a French liberal thinker sympathetic to ordoliberals and Hayek's notion of social order, who argued that far from being a mere institution of transaction, the market is the most appropriate societal organization to achieve "collective ends",[10] for it is the only form of market which enables us to maintain human freedom and social harmony:

> [M]arket […] is, in our political structures, the fundamental change which will unite tomorrow, in a common civilization, all individuals and people who want freedom without disorder, and welfare without servitude, while reducing, as far as is humanly possible, inequality and injustice. (Rueff 1958, 9-10)

4. Markets and efficiency

Markets are supposed to guarantee that individuals consent to the transaction, and therefore that their freedom and sovereignty are respected. As a corollary, markets guarantee that those who want or need to buy or sell a commodity (contested or otherwise) can indeed complete the transaction as they wish. This points to another major argument in favor of extending, generalizing the use of markets: efficiency. Markets are indeed often viewed as the most efficient way to deal with scarce resources.[11] A society in which transactions take place on markets is supposed or claimed to be *wealthier* than it would be without such markets. To understand the argument, it requires a clarification as to what efficiency means and, as a

---

[9] Ordoliberalism is a liberal doctrine which gives the State the economic mission to create and maintain a framework allowing free competition on the markets.

[10] Rueff did not define exactly the term "collective ends". We know only that they are not simply the sovereign functions (police, justice, and army) since they are already ensured by the protection of property rights in Rueff's thinking.

[11] Not that other ways of allocating resources would not create wealth too. The argument is not put in absolute but in relative terms.

corollary, as to how markets are defined—and even as to how economics itself is described. Here, two perspectives exist: the static vs the dynamic definitions of efficiency and markets, which corresponds to the standard or mainstream vs the heterodox definitions.

Efficiency in what is now the standard, mainstream, neoclassical and static sense of the word finds its origins in the works of Walras (1874) and Wilfredo Pareto (1906). Walras introduced a general equilibrium approach, according to which, if competitive conditions prevail and when consumers maximize their utility and producers maximize their profits, a situation of general equilibrium can be reached. Put differently, there always exists a system of price that guarantees that all markets simultaneously are in equilibrium. A few years later, Pareto (1906) went further than Walras. He defined what would be the best possible situation that can be reached in an economy—Pareto optimality—, and also gave the first formulations of what would be known as the two fundamental theorems of welfare economics. These theorems, that would be formally demonstrated by Kenneth Arrow in the 1950s, establish a twofold correspondence between competition and Pareto optimality. The first theorem says that, under certain conditions (given technology, given resources, stable and given preferences, perfect information, perfect competition), the allocation of resources resulting from the equilibrium system of prices is Pareto efficient. In other words, any competitive equilibrium leads to a Pareto efficient allocation of resources. The second theorem states that, with a given endowments of resources, any Pareto optimal allocation can be achieved through a competitive, decentralized market mechanism. In other words, markets lead to social optimality. All the potential gains from trade are exhausted.

Such views on general equilibrium and markets, are very specific. Efficiency can be reached if very strong and restrictive conditions are satisfied. So strong and restrictive that it seems difficult to defend market efficiency on this ground. Yet, it such perfect models are not problematic in themselves, that is as long as they remain used for what they are—models—and that they are not compared to real-world markets. Unfortunately, this is what became the "perfectly competitive equilibrium", "a normative benchmark to assess real-world markets" (Boettke et al., 2018, 126). Indeed, some pro-market economists did assume that the "static perfection" of competitive general equilibrium and Pareto efficiency "must (somehow) be attainable" and that "real markets" were "breathtakingly close to approximating the efficiency properties of general competitive equilibrium" (Boettke, 1997, 23). The model is then conflated with the reality. Accordingly, some aspects of that reality are missed: that information is not perfect, that individuals have limited cognitive capacities, that human

activities are dynamic, that institutions matter. These are the dimensions that are captured by the heterodox views on efficiency.

Such an alternative approach defines markets in terms of processes, as the process of adjustment towards equilibrium: "the classical understanding of the market process was a dynamic process of adjustment, in which factor prices serve as guides to exchange and production" (Boettke et al, 2018, 127-128). From this perspective, a market is not efficient because it settles itself in an equilibrium position but because it allows individuals to learn, adapt themselves to what others do and combine their plans of action with other individuals; that is, to discover what others plan to do. Market is not only an anonymous and inter-temporal place which brings together buyers and suppliers and where goods and services are exchanged, but a process during which information is created, disseminated, and adjusted. From this perspective, a market economy cannot, to put it in other words, be affected by durable and generalized crisis. Here, the disequilibrium is a means of allowing the individuals to learn what was wrong and why such a glut occurred.

This approach is later deepened and refined by the Austrian school of economics. The importance of markets as a means of transmitting information to economic agents is central to Austrian tradition. Hayek and Israel Kirzner are certainly the most prominent among the many economists who contributed to developing this perspective. Both insisted on "the unavoidable imperfection of man's knowledge" (Hayek 1945, 91; see also 1937), on the need to learn and on the "need for a process by which knowledge is constantly communicated and acquired" (1945, 91). This is a key role markets play. Indeed, as Kirzner (1979) wrote, the market "emerges as the necessary implication of the circumstances that people act, and that in their actions they err, discover their errors, and tend to revise their actions in a direction likely to be less erroneous than before" (30). For his part, Hayek argued that, in an institutional environment of private property rights, the market price system uses dispersed knowledge in order to align production and supply with consumption and demand. And, indeed, for both Hayek and Kirzner, prices are crucial in this dynamic learning process. They convey information about the changing conditions, giving individuals the possibility to adjust their behavior accordingly. And they also allow the market participants to evaluate the relevant of their past market decisions and thus correct possible mistakes. *Ex post*, prices reveal the ultimate (un)profitability of economic decision. Efficiency remains a major advantage of markets and of a market system, even if its representation has evolved.

5. Conclusion

Without trying to be exhaustive, we reviewed the main arguments that are used to legitimate an expansion of markets without limits. These are the arguments that can be opposed to the anti-commodification theorists concerned with contested markets.

We have thus insisted on the notion of "consent" and "property rights" because, to pro-market thinkers, market is a place in which individuals consent to the transactions they engage in. More clearly, the argument is circular, since market rests on consent and transactions reveal that individuals consent to the transactions they engage in. Obviously, this works because property rights protect individuals. When it is the case, the claim is that no one can be forced to trade anything on a market—by contrast, the regulation of the trade of a commodity introduces coercion because individuals can no longer buy and sell the commodity as they want to. Thus, markets for new commodities—those commodities that are not usually traded on markets—guarantee that those who want or need to buy or sell a contested commodity can indeed complete the transaction as they wish. May be, such markets should not be dismissed out of hand, particularly when the "proof of the pudding is in the eating". This is all the more profitable that, though market processes, individuals learn how to behave morally and virtuously, as the argument goes.[12]

These points were repeatedly made by the advocates of an extension of markets to any kind of good. For them, without a free market, there exists a gap between supply and demand that cannot be closed; using a price mechanism would eliminate it. This reasoning applies to babies (Landes and Posner, 1978) or to organs (Posner, 1979; Hansmann, 1989; Erin and Harris 1994; Becker and Elias, 2007; Elias, Lacetera and Macis, 2015). Therefore, the individuals who are on a waiting list—due to lack of organ—could acquire a "good" they would not have the possibility to "buy" otherwise. Complementarily, those who would be ready to sell organs or body parts are not forced against their will not to engage in transactions. Here, as one realizes, efficiency can be viewed in a narrow and static sense or in the broader and dynamic meaning of the concept, that is either as allowing a better allocation of resources or an improvement in the information individuals have.

[12] The defense of markets is made *ceteris paribus*, so to speak. : Ssince the market is an "institution", one assumes that the virtues of advantages of the existing markets can be replicated to the new markets that are created.

References

Anderson, Elisabeth.1998. *Value in Ethics and Economics.* Cambridge: Harvard University Press.

Becker, Gary S., and Julio J. Elias. 2007. "Introducing Incentives in the Market for Live and Cadaveric Organ Donations", *Journal of Economic Perspectives*, 21 (3), 3-24.

Block, Walter. 2003. "Toward a Libertarian Theory of Inalienability: A Critique of Rothbard, Barnett, Smith, Kinsella, Gordon, and Epstein", *Journal of Libertarian Studies*, 17(2), 39-85.

Boettke Peter, Candela, Rosolino and Kaytlin Woltz. 2018. "Is the Market Wage the Just Wage? A Reassessment of Factor Pricing and Distributive Justice", *Erasmus Journal for Philosophy and Economics*, 11(2), 124-143.

Brams, Marvin. 1977. "Transplantable Human Organs: Should Their Sale Be Authorized by State Statutes?", *American Journal of Law & Medicine*, 3(2), 183-195.

Brennan, Jason and Peter M. Jaworski. 2016. *Markets without Limits. Moral Virtues and Commercial Interests*, New York/Oxon, Routledge.

Brozen, Yale. 1978. *Can the market sustain an ethic?*, in Yale Brozen, Elmer W. Johnson, Charles W., Chicago: University of Chicago. p. 15.

Buchanan, James M. 1954. "Individual Choice in Voting and the Market", *Journal of Political Economy*, 62 (4), 334-343.

Coase, Ronald. 1960. "The Problem of Social Cost", *Journal of Law and Economics*, 3 (Oct.), 1-44.

Cooper, Michael. H. & Culyer Anthony. J. 1973. "The Economics of Giving and Selling Blood". In *The Economics of Charity. Essays on the Comparative Economics and Ethics of Giving and Selling, with Applications to Blood*, pp. 109-123. London: Alchian A., Allen W. (eds.).

Demsetz, Harold. 1967. "Toward a Theory of Property Rights", *American Economic Review*, 57(2), 347-359.

Dworkin, Ronald. 1980. "Why Efficiency? - A Response to Professors Calabresi and Posner", *Hofstra Law Review,* 8 (3), 563-590.

Elias, Julio J., Nicola Lacetera, and Mario Macis. 2015. "Sacred values? The effect of information on attitudes toward payments for human organs". *Working paper, National Bureau of Economic Research.* https://www.nber.org/system/files/working_papers/w20866/w20866.pdf.

Erin, Charles A. and John Harris. 1994. “A Monopsonistic Market: Or How to Buy and Sell Human Organs, Tissues and Cells Ethically”. In *Life and Death under High Technology Medicine,* pp. 134-153. Manchester: Manchester University Press.

Fiske, Allan P. and Philipp E. Tetlock. 1997. “Taboo trade-offs: Reactions to transactions that transgress the spheres of justice”, *Political Psychology*, 18(2),255-297.

Friedman, Milton. 1962. *Capitalism and Freedom*. Chicago, University of Chicago Press.

Friedman, Milton and Rose Friedman. 1980. *Free to Choose*. San Diego: Harcourt.

Hansmann, Henry. 1989. “The Economics and Ethics of Markets for Human Organs”, *Journal of Health Politics, Policy and Law*, 14 (1), 57-85.

Hayek, Friedrich. 1937. “Economics and Knowledge”, *Economica*, 4(13), 33-54.

Hayek, Friedrich. 1945. “The use of Knowledge”, *American Economic Review*, 35(4), 519-530.

Hayek, Friedrich. 1960. *The Constitution of Liberty.* Chicago: Chicago University Press

Hayek, Friedrich.1982. *Law, Legislation and Liberty*. London: Routledge, (first edition 1973)

Hicks, John R. 1934. “Léon Walras”, *Econometrica*, 2 (4), 338-348.

Hirsch, Fred. 1976. *Social Limits to Growth*. Cambridge: Harvard University Press.

Hirschmann, Albert O. 1977. *The Passion and the Interests. Political arguments for capitalism before its triumph.* Princeton: Princeton University Press.

Kanbur, Ravi. 2004. “On obnoxious markets”, in S. Cullenberg et P. Pattanaik (eds), *Globalization, Culture and the Limits of the Market: Essays in Economics and Philosophy*, Oxford University Press, 39-61.

Kant, Immanuel, *Lectures on Ethics*. Cambridge: Cambridge University Press.

Kessel, Reuben A. 1974. “Transfused Blood, Serum Hepatitis, and the Coase Theorem”, *Journal of Law and Economics*, 17 (2): 265-289.

Kirzner, Israel. 1979 *Perception, Opportunity and Profit*. Chicago: University of Chicago Press.

Knight, Frank H. 1941. “The Meaning of Freedom. Review of Freedom: Its Meaning by Ruth Anshen”, *Ethics*, 52 (1), 86-109.

Landes, Elisabeth & Posner, Richard A. 1978. “The Economics of the Baby Shortage”, *Journal of Legal Studies*, 7(2), 323-348.

Locke, John. 1824. *Two Treatises of Government*, New-York: Barnes and Noble Publishing (first edition, 1690)

MacGilver, Eric. 2011. *The invention of Market Freedom*. Cambridge: Cambridge University Press.

Mandeville, Bernard de. 1924. *The Fable of the Bees: or, Private Vices, Publick Benefits*Oxford: Clarendon Press,. (first edition: 1714, London: J. Roberts).

Maitland, Ian. 1997. "Virtuous Markets: The Markets as School of the Virtues", *Business Ethics Quaterly*, 7(1), 17-31.

McCulloch John Ramsey. 1822. "Agricultral Distress—Causes—Remedies", *Edinburgh Review*, 36.

Menger, Carl. *Investigations into the Method of the Social Sciences: with special reference to economics*, 1883.

Mill, James. 1804. *An Essay of the Impolicy of a Bounty on the Exportation of Grain; and on the Principles which ought to regulate the Commerce of Grain.* London: C. and R. Baldwin. https://oll.libertyfund.org/title/mill-an-essay-of-the-impolicy-of-a-bounty-on-the-exportation-of-grain-1804#preview

Montesquieu, Charles. 1961. *The Spirit of the Laws.* Cambridge: Cambridge University Press.

Noë, R., J. van Hooff & P. Hammerstein (eds). 2001. *Economics in Nature: Social Dilemmas, Mate Choice and Biological Markets*, Cambridge, Cambridge U. P.

Nozick, Robert. 1974. *Anarchy, State and Utopia*, New York, Basic Books.

Paganelli, Maria Pia. 2010. "The Moralizing Role of Distance in Adam Smith. *The Theory of Moral Sentiments* as Possible Praise of Commerce", *History of Political Economy*, 42 (3), 425-441.

Pareto, Vilfredo. 1906. *Manuale d'economia politica*, Milano: Società editrice libraria.

Posner, Richard A. 1979. "Utilitarianism, Economics, and Legal Theory", *Journal of Legal Studies*, 8 (1), 103-140.

Posner, Richard A. 1980. "The Ethical and Political Basis of the Efficiency Norm in Common Law Adjudication," *Hofstra Law Review.* 8 (3), 487-507.

Posner, Richard A. 1986. *Economic Analysis of Law*, New York, Little Brown & co (first edition 1973).

Posner, Richard A. 1987. "The Regulation of the Market in Adoptions", *Boston University Law Review*, 67, 59-72.

Potier, Jean-Pierre. 2011. “Le socialisme de Léon Walras”, *L’Économie politique*, 51(3): 33–49.

Prichard, J. Robert S. 1984. “A Market for Babies?” *University of Toronto Law Journal*, 34 (3): 341-357.

Ricardo, David. 1815. *An Essay on the Influence of a low Price of Corn on the Profits of Stocks.* London: John Murray. https://la.utexas.edu/users/hcleaver/368/368RicardoCornLawstable.pdf

Ricardo, David. 1911. *On the Principles of Political Economy and Taxation.* London: J.M. Dent&Sons (first edition, 1817).

Röpke, Wilhelm and Alexander, Rüstow. “A Note on the Urgent Necessity of Re-orientation in Social Science”. Walter Lippmann Papers. Manuscripts and Archives, Yales University Library, Box 100, Folder 1837.

Roth, Alvin E. 2007. “Repugnance as a constraint on markets”, *Journal of Economic Perspectives*, 21(3), 37-58.

Rothbard, Murray. 1998. *The Ethics of Liberty.* New York: New York University Press (first edition 1982).

Rothbard, Murray. 2004. *Man, Market and the State. A Treatise on Economic Principles*, Auburn, Ludwig von Mises Institute (first edition, 1962).

Rueff, Jacques. 1958. “Le marché institutionnel des communautés européennes”, *Revue d’économie politique*, 68(1-6), 1-10.

Sandel, Michael J. 2012. *What Money Can’t Buy: The Moral Limits of Markets*. New York: Farrar, Straus and Giroux.

Sandel, Michael J. 2013. “Market Reasoning as Moral Reasoning: Why Economists Should Re-Engage With Political Philosophy”, *Journal of Economic Perspectives*, 27: 121-140.

Satz, Debra. 1992. “Markets in Women’s Reproductive Labor”, *Philosophy & Public Affairs*, 21(2): 107-131.

Satz, Debrah. 2010. *Why Some Things Should Not Be For Sale. The Moral Limits of Markets*, Oxford University Press.

Say, Jean-Baptiste. 1803. *Traité d’économie politique.* Paris : Crapelet.

Smith, Adam. 1763. *Lectures on Jurisprudence*. Glasgow: Glasgow Edition.

Smith, Adam. 1976. *Inquiry into the nature and causes of the wealth of nations*, R.H. Campbell and A.S. Skinner (eds), textual editor W.B. Todd. Oxford: Oxford UniversityPress.

Storr, Virgil H., and Ginny S. Choi. 2019. *Do Markets Corrupt Our Morals?* New York, NY: Palgrave MacMillan.

Storr, Virgil H., and Ginny S. Choi. 2020. "Measuring Markets and Morality", *Erasmus Journal for Economics and Philosophy*, 13 (1), 42-60.

Walraevens, Benoît. 2010. "Adam Smith's Economics and the Lectures on Rhetoric and belles lettres: The Language of Commerce", *History of Economic Ideas*, 18(1), 11-32.

Walraevens, Benoît. 2014. "Vertus et justice du marché chez Adam Smith", *Revue économique*, 2(65), 419-438.

Walras, Léon. 1874. *Éléments d'économie politique pure.* Lausanne: Corbaz, Paris.

Walras, Léon. 1896. *Études d'économie sociale: Théorie de la répartition de la richesse sociale*. Paris: F. Pichon.

Westen, Peter, 2004a. "Some Common Confusions About Consent in Rape Cases", *Ohio State Journal of Criminal Law*, 2, 333-359.

Westen, Peter, 2004b. *The Logic of Consent. The Diversity and Deceptiveness of Consent as a Defense to Criminal Conduct.* London: Routledge.