

MARKETS AND MORALS

LECT. UNIV. DR. BAN CLAUDIU-FLORIN

TIBISCUS UNIVERSITY OF TIMISOARA, str. Lascăr Catargiu nr. 6,
email: fse@tibiscus.ro

Abstract:

In recent decades, market values have impinged on almost every aspect of life – medicine, education, government, law, even family life. We have drifted from having a market economy to being a market society. Isn't there something wrong with a world in which everything is for sale?

Key words: market, morals, market triumphalism, market economy, market society.

JEL classification: K10, K20.

There are some things in our world today that money can't buy, but nowadays there aren't many.

Today almost everything is for sale. Let me give you some examples. An inmate in the United States, if he wants better detention conditions, or, as it were, increased comfort, can get it for \$ 82 a night. In Santa Ana, California, but also in other cities, nonviolent criminals can pay for better living conditions, ie a cleaner and quieter cell, isolated from the other cells of non-paying detainees.

If you drive a car in California alone and not only and you are in a hurry to get to your destination quickly if you pay the \$ 8 during peak hours in traffic, you can have access to the highway emergency lane. The city of Minneapolis and others are trying to ease traffic congestion, leaving drivers who are alone in cars to pay to gain access to highway emergency lanes at rates that vary by traffic.

The services of an Indian surrogate mother to complete a pregnancy cost in the United States about \$ 6,250. Western couples looking for surrogate mothers are increasingly dependent on the services provided by women in India, where the practice is legal and the price is one-third of the amounts also requested by surrogate mothers in the United States.

The right to immigrate to the US today costs about \$ 500,000 in the sense that foreigners who invest \$ 500,000 in the U.S. economy and create at least 10 jobs in a high-unemployment area are eligible to obtain the Greencard they give the right to permanent residence in the United States.

The right to hunt an endangered black rhino costs \$ 150,000. South Africa has begun to allow breeders to sell hunters the right to kill a limited number of rhinos, in order to provide breeders with an incentive to grow and protect endangered species.

Access to the family doctor's personal phone number costs US \$ 1,500 per year. An increasing number of family physicians are offering mobile phone access and same-day appointments for patients willing to pay annual fees of \$ 1,500 to \$ 25,000.

The right of large polluters to emit a ton of carbon into the atmosphere costs 13 euros. The European Union is leading a carbon market that allows companies to buy and sell the right to pollution.

Do you want your child to be admitted to a prestigious university in Western Europe or the USA? Although the price is not displayed, officials at some of the top universities told The Wall Street Journal that they accept some less eminent students whose parents are wealthy and could make substantial financial contributions that would contribute to the smooth running of those universities.

Not everyone can afford to buy these things. But today there are a lot of new ways to make money. If you need to earn some extra money, here are some unique possibilities.

Rent a space on your forehead or other visible part of your body to display commercials. Such service in some parts is paid \$ 777 / month. Air New Zealand has hired 30 people to shave their heads and wear temporary tattoos with the slogan: "Do you need a change? Come with us to New Zealand! "

If you serve as a lab rat in a drug safety study for a pharmaceutical company, this can bring you \$ 7,500 for a single study. The amount may be higher or lower depending on how invasive the procedure is for testing the effect of the drug and the discomfort created.

If you want to fight for a private military company in Somalia or Afghanistan, you can be paid in amounts ranging from \$ 250 / month to \$ 1000 / day depending on qualification, experience and nationality.

Standing in line overnight on Capitol Hill to take the place of a lobbyist who wants to attend a hearing of the US Congress is paid \$ 15 to \$ 20 per hour. Lobbyists pay companies that provide such services and hire homeless people but not only, to stand in line for a ticket that allows free access to the halls of the US Congress to the meetings of the two chambers, the number of these tickets being limited.

If you are a student at a school in Dallas and you read a book, you are paid by the school for \$ 2. To encourage reading, schools pay children for each book they read.

If you are obese and lose 14 pounds in four months, you can get \$ 378 in the US. Companies and health insurers provide financial incentives for weight loss and other types of healthy behavior.

Buy a US life insurance policy. Pay the annual premiums as long as the person is alive and then collect the death insurance when the person dies. The earning potential is millions depending on the insurance policy. This way of betting on people's lives has become an overseas industry worth over \$ 30 billion. The faster the insured person dies, the more the person who bought it earns.

We live in times when almost everything can be bought and sold. Over the last 30 years, markets and the value of markets have governed our lives like never before. I did not get here in this condition as a result of a deliberate choice. This situation has come upon us.

As the Cold War ended, markets and market thinking enjoyed unparalleled prestige, which is understandable. No other mechanism created to organize the production and distribution of goods has proven to be so successful and to generate such an influx of prosperity. And yet, even as a growing number of countries around the world have embraced market mechanisms in their economies, something else is happening.

Market values are going to play an increasing role in our social life. The economy is becoming an imperial domain, not to mention an imperialist one. Today, the logic of buying and selling no longer applies only to material goods, but increasingly governs the whole of life. It's time to ask if we want to live like this.

The years leading up to the financial crisis of 2008 were a constant period of confidence in the market - an era of market triumphalism. This era began in the early 1980s, when Ronald Reagan and Margaret Thatcher proclaimed their belief that markets, not government, hold the key to prosperity and freedom. And it continued in the 1990s, with market-friendly liberalism promoted by Bill Clinton and Tony Blair, which moderated but also strengthened the belief that markets are the primary means of achieving the public good.

Today, this belief is questioned. The era of market triumphalism has come to an end. The financial crisis has done more than cast doubt on the ability of markets to manage risk effectively. It has also spread the idea that markets have become detached from morale and that we need to find a way to reconnect them, but it is not very clear what this would mean or how we should deal with it.

Some say that the moral failure at the heart of market triumphalism was greed, which led to irresponsible risk-taking. According to this view, the solution was to curb greed and place more emphasis on greater integrity and accountability among bankers and Wall Street executives and the adoption of rational, logical regulations to prevent a new similar crisis.

This is, at best, a partial diagnosis. While it is true that greed has played a role in the financial crisis, something bigger is at stake. The most fateful change that has taken place in the last three decades has not been an increase in greed but has been the expansion of markets and market values, in spheres of life where they did not reach until now.

To fight this new reality, we must do more than thunder and lightning against greed: we must rethink the role that markets should play in our society. We need a public debate on what it means to keep markets where they belong. To have this debate, we need to think through the moral limits of markets. We have to ask ourselves if there are certain things that money should not buy.

Market attitude and market-oriented thinking in aspects of life traditionally regulated by non-market norms is one of the most significant developments of our time.

Consider the proliferation of for-profit schools, hospitals and prisons, and the outsourcing of war to private military contractors. (In Iraq and Afghanistan, private contractors actually outnumber US military troops).

Consider the eclipse of public police forces by private security firms - especially in the United States and the United Kingdom, where the number of private guards is more than twice as high as that of public police officers.

Or think of pharmaceutical companies that aggressively sell prescription drugs to people in rich countries. If you've ever seen TV commercials on the evening news, you may be forgiven for believing that the world's biggest health crisis is not malaria but a rampant epidemic of erectile dysfunction.

Consider commercial advertising in public schools, the sale of "naming rights" to parks and civic spaces; the marketing of eggs and sperm for assisted reproduction, the outsourcing of surrogacy for mothers in developing countries, the purchase and sale of

pollution rights by companies and countries, a campaign financing system that allows the buying and selling of elections.

These uses of markets to allocate health, education, public safety, national security, criminal justice, environmental protection, recreation, procreation and other social goods were largely unknown thirty years ago. Today, we take them largely as facts.

Why worry that we are moving towards a society where everything is for sale? For two reasons: one is about inequality, the other is about corruption. Regarding inequality in a society where everything is for sale, life is hard for those with modest means. The more money I can buy the more abundant (or lack thereof), it matters.

If the only advantage of abundance were the ability to buy yachts, sports cars and luxury vacations, income and wealth inequalities would not matter much. But as the money gets to buy more and more - political influence, good health care, a house in a safe neighborhood, rather than one in an area full of crime, access to elite schools, more rather than in the failed ones - the distribution of income and wealth has a larger and larger dimension. If all the good things are bought and sold, having money makes all the difference in the world.

This explains why the last decades have been particularly difficult for poor and middle-class families. Not only has the gap between rich and poor widened, but the trade in anything has worsened the effects of inequality, making money more and more important.

The second reason why we should be reluctant to sell everything is harder to describe. It is not about inequality and fairness, but about the corrosive tendency of the markets. Putting a price on money for the good things in life can destroy them. That's because markets don't just distribute goods; it also expresses and promotes certain attitudes towards the goods exchanged.

Paying children to read books may cause them to read more, but it can also teach them to view reading as a chore, rather than an intrinsic source of satisfaction. Bidding for places in top schools to the highest bidders could increase revenue, but it could also erode the integrity of the college and the value of its diploma. Hiring foreign mercenaries to fight in our wars could spare the lives of our citizens, but it can corrupt the meaning of the idea of citizenship.

Economists often assume that markets are inert, that they do not affect the goods they exchange. But this is untrue. The markets are making their mark. Sometimes the market invades and corrupts non-commercial values that deserve to be taken care of.

Of course, people did not agree on what values are worth protecting and why. So in order to decide what money should - and should not - be able to buy, we need to decide what values should govern the different areas of social and civic life.

Here is a preview of the answer I hope to give: when we decide that certain goods can be bought and sold, we decide, at least implicitly, that it is appropriate to treat them as commodities, as tools of profit and use. But not all goods are valued properly. The most obvious example is human beings who are obviously not goods but who have been seen as goods over time. Slavery was awful because it treated human beings as commodities to be bought and sold at auction. Such treatment fails to properly value human beings - that is, as people who deserve dignity and respect and not as tools of gain and objects of use.

Something similar can be said about other appreciated goods and practices. We do not allow the purchase and sale of children on the market. Even if buyers did not abuse the children they bought, a market for children would express and promote a wrong way of valuing them. Children are not properly regarded as consumer goods, but as beings worthy of love and care. Or consider the rights and obligations of citizenship. If you are called to the jury, you may not hire a replacement to take your place. We also do not allow citizens to sell their votes, even if others may be willing to buy them. Why not? Because we believe that civic duties should not be considered private property, but should be seen instead as public responsibilities. Outsourcing them means humiliating them, misappropriating them.

These examples illustrate a broader view: some of the good things in life are corrupt or degraded if they are turned into commodities. Therefore, in order to decide where the market is located and where it needs to be kept at a distance, we need to decide how to value the goods in question. - health, education, family life, nature, art, civic duties, etc. These are moral and political questions, not economic ones. In order to solve them, we must debate, from case to case, the moral significance of these goods and the correct way of evaluating them.

This is a debate that we did not have during the triumphalism of the market. As a result, without realizing it, without ever deciding to do so, we went from a market economy to a market society.

The difference is this: A market economy is a tool - a valuable and efficient tool - for organizing productive activity. A market society is a way of life in which market values are infiltrated in every aspect of human endeavors. It is a place where social relations are done in the image of the market.

The great debate that is missing in contemporary politics is about the role and extent of markets. Do we want a market economy or a market society? What role should markets play in public life and personal relationships? How can we decide which goods should be bought and sold and which of them should be governed by non-commercial values?

Bibliography

a) Cărți:

1. Borell, Brendan, (2010), Saving the Rhino Through Sacrifice, Bloomberg Businessweek.
2. Brown, Eliot, (2011), Help Fund a Project, and Get a Green Card, Wall Street Journal.
3. Dolnick, Sam, (2007), World Outsources Pregnancies to India, USA Today.
4. Elliott, Carl, (2008), Guinea – Pigging, New Yorker.
5. Golden, Daniel, (2003), At Manny Colleges, the Rich Kids Get Affirmative Action Seeking Donors, Duke Courts Development Admits, Wall Street Journal.
6. Machalaba, Daniel, (2007), Paying for VIP Treatment in a Traffic Jam: More Cities Give Drivers Access to Express Lanes – for a Fee, Wall Street Journal.
7. Murphy, Tom, (2010), Patients for Extra Time with Doctor: Concierge Practices, Growing in Popularity, Raise Access Concerns, Washington Post.
8. Newman, Andrew Adam, (2009) The Body as Billboard: Your Ad Here, New York Times.

9. O'Connor, Sarah, (2009) Packed Agenda Proves Boon for Army Standing in Line, Financial Times.
10. Quirk, Matthew, (2004), Private Military Contractors: A Buyers Guide, Atlantic.
11. Sandel, Michael J., (2013), What Money Can't Buy, Peinguin Books, London.
12. Steinhauer, Jennifer, (2007) For €82 a Day, Booking a Cell in a 5-Star Jail, New York, Times.

b) Internet:

13. www.pointcarbon.com