

# Free Markets Need Moral People

The free market economy has been a boon for America in many ways. It has promoted innovation and upward social mobility, and provided many men and women with a high quality of life.

But as with all human systems, it's not perfect, and has been susceptible to certain ills such as unjust wages, cronyism, and the atomization of individuals.

In response to these ills, many call for a more social economy in which the state exercises greater control over the market.

However, [as British philosopher Roger Scruton has pointed out](#), social markets are susceptible to the same, if not worse, ills as free markets. In addition to the danger of an increasingly totalitarian state, there is also

*"... the growth of an underclass of people who do not work but who find every means to avoid work in order to enjoy the benefits provided by the state; the growth of illegitimacy, as women find an easy way to provide for themselves and their babies, and men an easy way to abandon the women they have impregnated; the growth of anti-social behavior, as fatherless children are released from the dysfunctional households that produce them."*

So what is to be done? Are we simply resigned to accept the ills of the free market economy because it's the lesser of two evils?

According to Scruton, the solution lies not in a new economy, but "in a restoration of the *moral* foundations of a market economy."

He explains further:

*“The disorders of the global market come about for the same reason as the disorders of the welfare state – because people seize every opportunity to externalize their costs [by “externalize their costs,” Scruton here means escaping liability for wrong actions]. They do this because there is no vigilant community which compels them to behave in any other way... There is no way forward for mankind that does not involve the restoration of that kind of vigilant community. And it can be restored only at the local level, by rebuilding the forms of social membership.”*

Scruton's argument is that the free market isn't the bad guy; corrupt men and women are the bad guys. Reigning in the excesses of these men and women doesn't require the creation of a new economy, and it won't happen by solely focusing on the creation of new regulations. It will ultimately require a renewed emphasis on “vigilant communities” – those small, local communities that form individuals in the moral life and hold their members accountable to their morals.

That sounds about right to me.