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# Book Review

Do Markets Corrupt Our Morals?, by Virgil Henry Storr & Ginny Seung Choi. Cham: Palgrave Macmillan, 2019, 281 pp.

Do Markets Corrupt Our Morals? is a book written by Virgil Henry Storr and Ginny Seung Choi. This book focuses on market morality by critically reviewing the thoughts of influential economists. Morality in market activity has a long history and has been debated by many economic scholars. Economist Adam Smith has written a critical discussion of markets in his influential works entitled *The Wealth of Nations* (1776) and *The Theory of Moral Sentiments* (1759). These two works argued how market morality affected society and socio-economic structure. *The Wealth of Nations* highlighted ordinary labourers in a market society, whereby this labourer spends his life by performing several very simple operations. He receives no opportunities to give his understanding or to exercise his creation in finding out expedients for evacuating difficulties which never happen. Chapter one of this book argued that the absence of the opportunities creates a loophole to bring lives in market economies to corrupt people morals. Aristotle's economic thought was such that, in pursuing profit, it is necessary to take advantage of others. This is what the scholars call moral cost. The economic progress that is driven by the industry, ingenuity and innovation was being influenced by ambition, envy and ultimately self-deception. At this stage, unfairness, inequality and repressive political systems emerge to support immoral market activity, which then affect the level of economic freedom.

It was argued that markets could supress society and pressure its participants. For Ngugi wa Thiong'o (1982), people who control the market, i.e. businessmen, are in a position to manipulate the market. In such case, the market is geared towards exploitation rather than providing services. The market process is where exploitation occurs when the few capitalists ill-treat the many. When this happens, it will hurt the system. It is noted that markets promote selfishness, greed and other vices. These potentially corrupt the system and eventually corrupt social morality. Although it is not denied that market can corrupt the society, it depends on how one perceives market values. For example, acquisitiveness and selfishness may be looked as adverse values, but eventually will force the market to expand to the extent that it can compensate the wrongdoings.

In chapter three, Mandeville's (1988) poem deliberately claimed that markets are unintentionally moral wealth creators. Firstly, transforming private vices into public benefits. Secondly, markets are not a tool to promote virtue or vice. Markets can accommodate either positive or negative outcomes, and yet no evaluation exists to measure moral or immoral activities. Markets could be regarded as a tool serving specific purposes. Another claim concerns commercial and non-commercial society. In a commercial society, rewards will be awarded for better judgement, hard work, being thrifty, being honest and trustworthy. Meanwhile, in a non-commercial society, having negative traits will be penalised. Whichever path is chosen, it will define the moral direction of the market system.

The authors also explored the improvement in living standards through markets. In this chapter, the authors questioned whether benefits of the markets would only be enjoyed by a few or by the least advantaged in the market societies. The authors also forwarded that non-market societies will be retreated from being wealthier, healthier, happier and better connected compared to those who involved in the market. In explaining this, the stories of two Estonias and two Koreas are referred about benefits of the market. Both tales share a similar storyline where being in the market system assists them to achieve better standards of living and quality of life compared to pre-involvement in the market system. The authors also explained that there were mechanisms for human betterment that can be achieved through markets. First, the division of labour in the markets can be regarded as sources of wealth. Second, by extending the scope of entrepreneurship, it forces and innovates economic development. Lastly, market societies are indicators of material well-being and wealth compared to non-market societies. This is because markets force people to improve as it promotes a competitive atmosphere that drives individuals to succeed while serving and supporting each other.

The authors asserted that markets are moral spaces. Participation in the market space not only tends to be virtuous and exhibit the virtue of prudence but presents other virtues as well. Markets depend on the virtuousness of market participants and cannot function well if market participants are immoral. Prudence is part of virtue. Prudence motivates the entrepreneur to recognise the opportunities that exist in the market and assists in making wise decisions. In terms of market societies, the authors listed additional virtues such as more altruistic, cosmopolitan and trusting with less likelihood to be materialistic and corrupt.

Markets have also been argued to be moral training grounds as it makes people better person rather than corrupting them. It can be said that the market system is an evolutionary economic system (Schumpeter, 2010). The market system treasures new things and constantly introduces new ways of doing things. This helps to make sure market practices virtuous behaviour and checks the unethical behaviour. There are two ways of making people better persons. Firstly, market actors that have moral qualities can be identified through market transactions where all information about their characters will be collected during the process. Secondly, the market has its mechanisms to reward virtue or punish vice of the actors according to their character. With this, the market not only helps to efficiently allocate products and services but also to maintain and enhance morality in market societies.

In the last chapter, the authors highlighted if markets really influenced morals. It was argued that markets are moralising spaces. Actors in the market whom we consider as a trustworthy person can be rewarded based on the virtue of their characteristic. Markets can be pleasant or noxious. A noxious market is a space where the parties to the exchange are unable to interact with each other as equals (Satz, 2010). There are four characteristics of noxious a market, namely harmful outcomes to the parties and society, weak agency and vulnerability. Nevertheless, societies are complex. Several elements must be considered when looking at the impact of markets on society. The impact was not only essential to understand the market system and the economic impact, but should take into consideration the social and moral development ramifications as well. This may go beyond the market system itself. Interestingly, political influence will be counted as among the major determinant for the market. It is naturally understood that democracy has significant influence on economic development, especially when looking at political stability. However, it was also found that democratisation helps to decrease corruption, although, in the early stage of political liberalisation, it was noted that government corruption could be higher (Saha, Gounder, Campbell & Su, 2014; Saha & Su, 2012). Besides that, scholars have argued that to measure morality, different indicators may be considered due to the differences of country practices and its culture. This is because culture is regarded as the cause for some countries to prosper (Huntington, 1996; Harrison, 1992).

This book analysed and explored the engagement within the market through the activities and societies and its influence on morality. It reviewed different economic schools of thoughts such as Aristotle, Adam Smith, St Thomas Aquinas and Karl Marx along with more recent studies. The revisions allow the readers to understand the fundamental pillar of market morality to help them construct a balanced judgement. The early chapters discussed whether markets could corrupt moral or not. The book ends the discussion by proposing that markets alone would not be sufficient to influence the tendency for corrupting morality. Additionally, the market also encouraged important virtues such as trust and altruism. Nevertheless, mainly focusing on secondary sources may lead to biases when discussing virtue within markets and morality frameworks. Overall, the book is recommended for those interested to know about the market system from past and present perspectives.

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