Bruni and Sugden on Market Virtues

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Abstract According to classical liberalism, markets are instruments for the mutually advantageous voluntary exchange of goods and services among individuals who have conflicting interests. Some critics have used a virtue ethics understanding of behavior in markets to call for moral limits to markets because this classical view does not respect the internal value of human practices and the intrinsic motivations of individuals. In response, Luigino Bruni and Robert Sugden have offered a virtue ethics defense of markets, thereby "reclaiming virtue ethics for economics." We argue that their account needs further elaboration and clarification before it is possible to assess the soundness of their virtue-theoretic understanding of markets.

Key words: free markets; MacIntyrean practices; market virtues; moral limits to markets; virtue ethics; voluntary exchange

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1 Introduction

According to the familiar view associated with classical liberalism, markets are instruments for the mutually advantageous voluntary exchange of goods and services among individuals who have conflicting interests and values. Although market participants may only be aiming to advance their own interests, markets structure their interactions in such a way that market transactions preserve liberty and facilitate the satisfaction of individual preferences.

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This understanding of markets is famously encapsulated by Adam Smith's metaphor of the "invisible hand"—even though everybody engages in market activities solely for his own benefit, the market functions like an invisible hand to promote the public interest (Smith, [1776] 1976). As Friedrich Hayek has observed (Hayek, 1937), this outcome is not achievable by central planning because it requires knowledge that is dispersed among the market participants, knowledge that is not feasible for any agent or agency to obtain. Echoing Smith, Hayek (1973) regards markets as producing a "spontaneous order" from the decentralized interaction of free individual agents engaging in market transactions. This order emerges even though its achievement formed no part of the market participants intentions when buying and selling.

But markets also have their critics, and there are now calls for moral limits to markets. This is a view put forward by Alasdair MacIntyre, Elizabeth Anderson, Michael Sandel, and Debra Satz, among others.[1] MacIntyre, Anderson, and Sandel, in particular, mount their critique from the perspective of virtue ethics. In "Reclaiming Virtue Ethics for Economics," Luigino Bruni and Robert Sudgen (2013) summarize their views as follows:

> The market depends on instrumental rationality and extrinsic motivation; market interactions therefore fail to respect the internal value of human practices and the intrinsic motivations of human actors; . . . therefore economics is complicit in an assault on virtue and on human flourishing. (p. 141)

Bruni and Sugden challenge this view and provide a defense of markets based on their own virtue-theoretic conception of markets.[2] Their understanding of markets draws on (but also differs in some fundamental respects from) two of the seminal treatises on virtue ethics, Aristotle's *Nichomachean Ethics* ([c. 330 BCE] 2000) and Alasdair MacIntyre's *After Virtue* (2007). For MacIntyre (2007, p. 187), a social practice is a cooperative social activity with its own goods or excellences internal to it. According to Aristotle, an activity has a purpose—its *telos*. Like MacIntyre, Bruni and Sugden regard the market as being a cooperative social activity. Like Aristotle, they regard an activity as having a *telos*. For Bruni and Sugden, the *telos* of the market is mutual advantage and market virtues are character traits or dispositions that market participants perceive as contributing to this *telos*. These virtues reflect a moral attitude towards market interactions characterized by reciprocity.[3]

In private correspondence, Sugden has informed us that he regards the approach taken in Bruni and Sugden (2013) as being empirical. He and Bruni are, or so he claimed, reporting on the ethical judgments about market behavior that have been made with various degrees of explicitness by major advocates of markets over the centuries, beginning with Smith. As an illustration of this perspective, they write

[1] See MacIntyre (2007), Anderson (1990, 1993), Sandel (2009, 2012, 2013), and Satz (2010)

[2] Alternative challenges to the view that markets are morally corrupting are explored at length by Brennan and Jarowski (2022) and Storr and Choi (2019).

[3] See Bruni and Sugden (2013, pp. 151–153) for their argument in support of mutual advantage being the *telos* of the market. Bruni and Zamagni (2016, pp. 22–23) attribute the identification of reciprocity as a defining feature of human sociality to the Neapolitan school of civil economy, notably to Genovesi ([1765–67] 2013).

(p 153) that "the common core of these understandings of markets [in the writings they consider in the preceding text] is that markets facilitate mutually beneficial voluntary transactions. Such transactions can be seen as valuable" for a number of reasons that they go on to articulate. They also offer historical precedents for the various market virtues that they enumerate. Bruni and Sugden want to show how individuals' perceptions of what constitutes market virtues can contribute to a virtue ethics defense of the market.

However, if all that Bruni and Sugden have done is report on what various advocates of and participants in markets think, then they have not provided a virtue ethics *defense* of the market. In order to do so, this understanding of the market must be endorsed and shown to be the basis for providing a compelling response to the market critics. We read their joint work as engaging in that activity. In doing so, we are regarding Bruni and Sugden as contributing to the debate on the morality of markets, not just reporting on the history of what great thinkers have said about this issue. It is this reading of what they have written that informs our subsequent discussion. Even if it is not the reading that Bruni and Sugden intended, it is one that we believe underlies their claim to have "reclaimed virtue ethics for economics." On this view, the market is a particular social practice with its own distinctive moral virtues. Individuals are praiseworthy to the extent that they cultivate these virtues. In this way, markets are morally ennobling and help us to live well. In the narrower reading that Sugden has suggested to us, there is no basis for endorsing these conclusions.

It is noteworthy that while Bruni and Sugden employ MacIntyre's concept of a social practice to describe market economies, they do not subscribe to his understanding of how markets operate. MacIntyre (2007, pp. 227–228) is quite critical of most market activity, arguing that participation in markets encourages behavior that is motived by external rewards rather than the internal goods of a cooperative social practice. Moreover, according to Bruni and Sugden (2013, p. 146), "MacIntyre's ultimate response to economic reality is a yearning for an imagined and ill-defined economy of communal production" that has no historical basis in reality. In contrast, Bruni and Sugden argue that market exchange has an internal good—mutual advantage, and pursing this good merits approval.

Bruni and Sugden regard themselves as providing "the first step in a virtue ethics" that "treats the market as a practice in its own right, with its own forms of intrinsic value and authenticity" (p. 151). In setting out their views on a virtue ethics of markets in this exploratory way, many of the details of a full-blown account are either omitted or only cursorily attended to. Some features of their defense of markets are explored by themselves elsewhere.[4] However, in these other writings, their analyses of markets do not foreground virtue ethics concerns, and so also leave unresolved many questions about their proposal.

Bruni and Sugden's virtue ethics account of markets provides a serious challenge to those virtue ethicists who argue that markets discourage virtuous behavior and the cultivation of virtuous dispositions. However, we believe that their account of a "virtue ethics for economics" needs further elaboration and clarification before it

[4] See Bruni and Sugden (2008), Bruni and Zamagni (2016), and Sugden (2015, 2018).

is possible to assess its soundness. Specifically, we argue that their proposal needs either further development or further clarification in the following respects.

First, the role that the intentions and dispositions of market participants play in Bruni and Sugden's response to those who argue for moral limits to markets needs to be considered in more detail than they have done. We argue that if market participants do not have mutual benefit as their objective and do not exhibit the market virtues that Bruni and Sugden have identified, then their rebuttal of the virtue ethics critiques of markets loses some of its force because viewing the market as a practice would then be compatible with purely self-interested intentions. Such compatibility results in the normative case for markets being contingent on the intentions of the parties engaged in economic exchange.

Second, Bruni and Sugden do not address the question of whether mutual benefit is the only intrinsic good of market exchange, nor do they consider in any detail whether mutually beneficial exchange is generally praiseworthy. For example, concerns about the baseline from which mutual benefits are determined raise issues about the fairness of market outcomes.

Third, virtuous market behavior requires that the transactors act with virtuous intentions, not simply in accordance with virtue. Moreover, on an Aristotelean view, engaging in a practice should promote the adoption of virtuous dispositions or, at least, not undermine them. We examine the extent to which these desiderata are realized with Bruni and Sugden's proposal. In particular, we consider whether reciprocity is a sufficient motivational basis on which to ground a virtue ethics of markets.

We do not claim that our concerns cannot be satisfactorily dealt with by Bruni and Sugden. Rather, our aim is to identify some ways in which their defense of the market needs further development or, at least, further clarification.

Although the arguments about the merits of market institutions that are advanced in Sugden's *The Community of Advantage* (2018) have received considerable attention, this is not the case with Bruni and Sugden's virtue-theoretic conception of markets.[5] The most extensive discussions of Bruni and Sugden's proposal to date are provided by Fumagalli (2020a) and Calderón Gómez et al (2024).

Fumagalli (2020a) offers a wide-ranging critique of virtue ethics defenses of markets with a particular focus on the ones advanced by Bruni and Sugden. He argues for three main claims.

> First, market transactions do not reliably promote individuals' *intentions for mutual benefit*, and often select against such intentions. Second, the set of so-called *market virtues* lacks a *substantial overlap* with the set of character traits that traditional virtue ethics accounts classify as virtuous, i.e., an overlap that is sufficient to substantiate the claim that market transactions promote (rather than hamper) many aretaically valuable character traits and actions. And third, many seemingly virtuous actions observed in market contexts are merely actions *in accordance with virtue* rather than genuine actions *from virtue*. (p. 1, emphasis in the original)[6]

[5] See, for example, the special issue of the *International Review of Economics* (Vol. 68, March 2021) devoted to Sugden's monograph. Of particular relevance here are the contributions to this symposium by Gui (2021) and Hargreaves Heap (2021).

[6] To say that a trait or action is "aretaic" means that it pertains to virtue.

MacIntyre (2007) distinguishes between virtues relative a practice and virtues without qualification. In Calderón Gómez et al (2024), we consider the extent to which Bruni and Sugden's market virtues are virtues *tout court* and whether they are compatible with respecting dignity in Kant's ([1785] 2018) sense of this term.

While there is some overlap between the issues we raise here and those previously considered by Fumagalli and ourselves, we regard our contribution as primarily supplementing those that have previously been advanced. Even when we address some of the same issues, we offer a different perspective. For example, with regard to Fumagalli's second point, we consider the extent to which Bruni and Sugden's reliance on attitudes of reciprocity mitigate his concerns.

Our discussion proceeds as follows. In Section 2, we situate Bruni and Sugden's contribution in the debate about the moral limits to markets. Next, in Section 3, we review the basics of the kinds of virtue theory Bruni and Sugden invoke. Then, in Section 4, we present Bruni and Sugden's proposal, highlighting the ways in which it departs from more familiar views of markets. This is followed in Sections 5–7 with our analysis of the three respects described above in which we believe that their proposal necessitates further development or further clarification. We conclude in Section 8 by summarizing the conclusions to be drawn from our analysis of Bruni and Sugden's virtue-theoretic account of markets.

2 Moral Limits to Markets

On the understanding of markets advanced by classical liberals, the public benefits of liberty, efficiency, and fairness are promoted even though individual participants need not seek, or even value, them. That is, markets operate not as devices for harnessing individuals' prosocial impulses, but rather as mechanisms for securing certain social benefits regardless of—perhaps despite—the participants' actual priorities and incentives. Accordingly, defenders of markets frequently assume that the participants bring to their transactions only self-interested motives. The thought runs that even when individuals do not value public goods like liberty, efficiency, and fairness, markets nonetheless promote them.

Although this familiar account refers to public goods, it amounts to, at best, an *attenuated moral conception* of markets. This is because the public goods that markets are claimed to secure are normatively thin. To the extent that markets are evaluated in terms of their outcomes, the criterion employed is Pareto optimality—the requirement that nobody can be made better off without making somebody worse off —regardless of the distributional consequences. In contrast, a process-based evaluation appraises markets in terms of their institutional structure, not on their outcomes. From this perspective, liberty is understood as the absence of external interference with individual choice, while market outcomes are fair if they result from the voluntary exchange of legitimate rights to property (Nozick, 1974). Thinness is regarded as a positive feature of markets, not as a shortcoming. In other words, on the familiar view, a virtue of markets is that they presuppose no deeper moral story. The market, it is said, is *morally neutral*. It functions as an impartial mechanism for facilitating the exchange of goods and services for mutual benefit but presupposes no particular conception of the good.

According to market proponents, when individuals do not share common moral values, the neutrality of markets is a strength. This neutrality has led Brennan and Jarowski (2022) to propose "markets without limits." In particular, they call for market-based solutions to a broad range of social problems, ranging from insufficiently stocked blood banks and declining birth rates to voter non-participation and drop-out rates among high school students.

Nevertheless, it has long been recognized that the markets for some goods fail to exhibit the desirable properties that advocates attribute to free markets when there are so-called market failures. Prominent examples of market failures include (1) externalities, such as those that result when pollution produced by a factory has adverse effects on third parties, and (2) asymmetries in information that work to the detriment of one of the parties to a transaction, as when an unscrupulous automobile repair shop takes advantage of a customer with little knowledge of car mechanics. In cases such as these, non-market remedies are proposed (taxes, governmental regulations, codes of conduct overseen by a professional agency, etc.), but with the understanding that most markets will be left to operate unimpeded (Schotter, 1985). But as with markets, these remedies are morally neutral in the sense described above.

Still, the very concept of moral neutrality is notoriously vexed.[7] In the case of markets, a line of criticism has developed according to which markets are in fact not morally neutral, but instead rooted in specific and contestable conceptions of value and human moral agency (Anderson, 1990, 1993; Sandel, 2009, 2012, 2013; Satz, 2010). Criticisms of this kind contend that markets presuppose a subjectivist theory of value for the goods that are exchanged, a view according to which an item's value is simply a matter of its choice worthiness as assessed by an agent. This encourages the idea that an item's value is given by the amount that an agent is willing to pay to acquire, possess, or use it, as measured by its price.

The critic continues that although some goods are properly understood along subjectivist lines, not all are. For example, whereas one might plausibly hold that the value of a cheesecake is strictly a matter of what people are willing to pay for it, the very idea of putting one's friendship, loyalty, or love up for sale is repugnant. In fact, there is arguably something incoherent in the very idea of buying, say, friends. A friend-for-hire is no friend at all (Sandel, 2012, p. 93). Similarly, authentic loyalty and true love cannot be bought. This is because friendship, loyalty, and love are not commodities; their value cannot be captured in market terms. Subjecting such goods to market exchange undermines "certain moral and civic goods worth caring about" by altering their meanings (Sandel, 2012, p. 121).[8] The critic then concludes that markets require us to think of the goods that are exchanged in a specific way,

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[7] See, for example, Arneson (2003), Gaus (2009), and Sher (1997).

[8] An early example of this kind of argument is provided by Meiklejohn (1935, pp. 236–241). He argues that the collection and interpretation of the news—a civic good—is degraded when it is provided on a commercial basis.

namely as commodities. Consequently, markets are not morally neutral, but rather depend on a contestable subjectivist conception of value for their justification.

This argument supports a more sweeping critique. As markets encourage individuals to treat value in subjectivist terms, they also promote a flawed view of the moral agent. In seeing all goods as commodities, we come to see ourselves as the *source* of all value; that is, we come to see the value of anything to be the result of our estimation of its usefulness, given the aims and purposes we happen to embrace. This not only embeds an implausible form of value relativism, but also places who we are, what we prefer, and our dispositions to make certain choices beyond moral assessment. Noting that there are such things as morally bad character traits, morally depraved preferences, and morally corrupt dispositions, the critic argues that living well requires us to acknowledge sources of value that lie beyond ourselves and our preferences. Insofar as markets encourage us to adopt a subjectivist view both of value and of ourselves as moral agents, they morally corrupt us.[9]

The upshot, then, is that we must either envision a kind of social order that eschews markets entirely (Cohen, 2008) or else construct ways to keep markets in their place by designating moral limits to commodification (Anderson, 1990, 1993; Kanbur, 2004; Sandel, 2009, 2012, 2013; Satz, 2010). The former proposal treats *all* markets as sharing inherently problematic features. The latter takes a more nuanced view and considers which goods should be provided by markets and which should not.[10] Meanwhile, market defenders can respond by arguing either that, however flawed markets may be from a moral perspective, all alternatives to markets are morally inferior, or else that large-scale non-market arrangements are practically infeasible (Hayek, 1937, 1973).

We take it that these broad lines of debate are familiar. We rehearse them not to settle the issue among market enthusiasts and their critics but to set the stage for our analysis of Bruni and Sugden's defense of market arrangements.

3 Virtues and Social Practices

Bruni and Sugden (2013) contend that markets are "a coherent and complex form of socially established cooperative human activity" (p. 151) that "facilitate mutually beneficial voluntary transactions" (p. 153). They thus identify markets as social practices that have mutual benefit as their aim or *telos*. As is standard among virtue

[9] The preceding discussion does not exhaust the kinds of considerations that have led to calls for moral limits to markets. For example, Satz (2010) has argued that such limits are also necessary when the provision of a good through the market would undermine the political equality of citizens in a democracy.

[10] The available options are, in fact, not so stark as this dichotomy might suggest. In addition to the outright banning of a market for some good, it might be better to subject it to some form of regulation or other public policy. Kanbur and Satz both argue that the remedy that is most appropriate for a specific market depends on which of its features are viewed to be problematic.

ethicists, the *telos* provides the perspective from which the virtues are defined. Accordingly, Bruni and Sugden (2013, p 153) propose that a market virtue is

> an acquired character trait with two properties: possession of the trait makes an individual better able to play a part in the creation of mutual benefit through market transactions; and the trait expresses an intentional orientation towards and a respect for mutual benefit.

We will discuss the specific virtues that Bruni and Sugden identify in the next section. Here, we are interested in clarifying the kind of virtue-theoretic background that they are invoking. Although Bruni and Sugden do not embrace MacIntyre's account of virtue ethics, by regarding virtues relative to social practices—rather than, say, appealing to facts about human nature (Aristotle, [c. 330 BCE] 2000) or to what makes one an admirable individual (Slote, 1995) or a person of good character (Miller, 2017)—they share with MacIntyre the view that the market is a social practice with its own excellences. Evaluating their defense of the market, then, requires a brief review of MacIntyre's understanding of a practice and its associated virtues.

In *After Virtue* (2007), MacIntyre picks up on G. E. M. Anscombe's (1958) famous critique of "modern moral philosophy" by arguing that in abandoning virtue as the fundamental category of moral evaluation, contemporary moral philosophy has become a corrupt and irrelevant enterprise, producing rival versions of subjectivism and emotivism, thereby engendering a social order in which ideals of the good life are defined by therapists, managers, and "rich aesthetes" (p. 24). Like Anscombe, MacIntyre advocates returning moral philosophy to its virtue ethics roots.

Virtue ethics has its source in Aristotle ([c. 330 BCE] 2000), who defined human flourishing, and thus human virtue, by reference to the purpose or natural function of a human being. Specifically, Aristotle regarded humans as being social individuals capable of reason. Recognizing that the Aristotelian view rests upon a teleological metaphysics that is no longer tenable, MacIntyre treats virtues not as dispositions that express human nature, but rather as character traits that contribute to the pursuit of a commendable life and promote admirable social relationships. In this way, MacIntyre provides a historically sensitive and social (rather than metaphysical) conception of the virtues, and thus of human flourishing.

Central to MacIntyre's understanding of the virtues is his conception of a practice. According to MacIntyre (2007, p. 187), a practice is

> any coherent and complex form of socially established cooperative human activity through which goods internal to that form of activity are realized in trying to achieve those standards of excellence which are appropriate to, and partially definitive of, that form of activity, with the result that human powers to achieve excellence, and human conceptions of the ends and goods involved, are systematically extended.

For MacIntyre, the ends, goods, and standards of excellence of a practice are identified by examining how a community of practitioners understands it. Virtue is thus relative to a particular community at a particular point in time. A practice is not free standing; it has a history—a social tradition, whose purposes and standards of excellence are provided by this history (MacIntyre, 2007, p. 190).

Importantly, MacIntyre identifies the virtues with the internal goods associated with a practice. His distinction between internal and external goods can be seen by considering a game of chess. An external good of chess is the honor or prize that comes with winning a match. In contrast, its internal goods—its excellences—include “the achievement of a certain highly particular kind of analytical skill, strategic imagination and competitive intensity” (MacIntyre, 2007, p. 188). Thus, the internal goods of chess are obtained by playing the game well, not necessarily by winning. According to MacIntyre, the internal goods of a practice can only be obtained and recognized as such by participating in it.

Of course, a wide variety of collective human activities can be described as practices in this sense. Certain forms of organized crime qualify as a MacIntyrean practice. Does it follow that there are gangster virtues? Similarly, online trolling sometimes involves complex coordination among multiple individuals who must trust and rely on one another in various ways. Does it follow that there are troll virtues?[11] MacIntyre (2007, p. 199) notes that “some practices—that is, some coherent human activities which answer to the description of what I have called a practice—are evil” and contends that virtues are only tentatively identified by reference to the internal goods of a practice. Being a trait that facilitates the realization of the internal goods of a practice is only a necessary condition for being a virtue. The full identification of a virtue involves two additional steps. MacIntyre (2007, p. 273) explains:

> My account of the virtues proceeds through three stages: a first which concerns virtues as qualities necessary to achieve the goods internal to practices; a second which considers them as qualities contributing to the good which relates them as qualities contributing to the good of a whole life; and a third which relates them to the pursuit of a good for human beings the conception of which can only be elaborated and possessed within an ongoing social tradition.

Accordingly, although there may be dispositions that enable one to achieve the goods internal to the life of a gangster or troll, it does not follow that there are gangster and troll virtues. The practices of organized crime and online trolling must be evaluated from the perspective of the other two stages. Specifically, we must ask, first, whether the traits in question also contribute to the good of a person’s life taken as a whole (MacIntyre, 2007, pp. 218–219); second, we must ask whether they can sustain a social tradition participation in which is good for human beings as such (MacIntyre, 2007, p. 222). Crime syndicates and troll farms fail in at least one of these two respects.[12]

There is much to be said about MacIntyre’s two additional stages. But our purposes lie elsewhere. For now, it is important to note his full conception of virtue:

> The virtues find their point and purpose not only in sustaining those relationships necessary if the variety of goods internal to practices are to be achieved and not only in sustaining the

[11] Appiah (2010) provides case studies of how three abhorrent social practices have been overturned: dueling in Britain, foot binding in China, and slavery in the British Empire. He also considers the prospects for ending the honor killing of women in places like Pakistan.

[12] If the virtues of a practice are only evaluated from the perspective of its participants, which is how Sugden has suggested to us in private correspondence virtues are to be understood, then there can be gangster and troll virtues.

> form of an individual life in which that individual may seek out his or her good as the good of his or her whole life, but also in sustaining those traditions which provide both practices and individual lives with their necessary historical context. (MacIntyre, 2007, p. 223)

For MacIntyre, the traits and dispositions that enable a person to realize the goods internal to a practice are merely candidate virtues; they have satisfied only a necessary condition for being a virtue. To count as a virtue, traits and dispositions need to be plausibly seen as advancing the good of a person's life and as contributing to a sustainable social tradition that generally is good for human lives as such. These three conditions must be satisfied for a trait to be a virtue (MacIntyre, 2007, p. 275).

Our point is not simply one of MacIntyrean exegesis. The lessons of MacIntyre's approach to virtue ethics generalize to any conception that conditionalizes virtues to social practices. In the absence of additional conditions such as the two that MacIntyre specifies, any such view faces easy counterexamples provided by social practices that are morally abhorrent. In cases like the crime syndicate, one wants to say that although participants indeed cultivate traits that manifest goods internal to the enterprise—certain forms of trust, respect, and resolve, for example— the practice itself is nevertheless morally corrupt. Any practice-based analysis of virtue needs to accommodate evaluations of this kind.

4 Bruni and Sudgen's Proposal

With this background in place, Bruni and Sugden's proposal can now be summarized quite succinctly. As noted above, they regard the market as being a cooperative social activity for the exchange of goods and services whose *telos* is the mutual benefit of its participants. A market virtue is a character trait that enables a participant to contribute to the realization of this benefit. In this way, someone is a virtuous market participant to the extent that he is disposed to take part in market transactions for the mutual advantage of the transacting parties. In other words, someone is a virtuous market participant to the extent that he is disposed to refrain from taking part in market transactions for the purpose of taking advantage of the other parties.

Further elucidation of what intentional cooperation for mutual benefit entails is provided by Sugden's (2015; 2018, Chap. 10) interpretation of social practices in terms of team reasoning. With team reasoning, each individual who participates in a group activity regards himself as reasoning as part of a group in order to agree on a joint course of action for their common good. Each person asks what we should do together, not what he should do given what he expects others to do (Sugden, 2015, p. 152).[13] As Gui (2021, p. 133, emphasis in the original) puts it, a market

[13] Sugden (2015, pp. 159–160) argues that in order for a joint action (formally, a joint strategy) of a group to be *mutually* beneficial as opposed to simply being to the benefit of all of the parties, everybody must contribute to this outcome; there are no free riders. This qualification should be taken as given in the subsequent discussion. A joint action that is mutually beneficial in this strong sense is what Sugden calls a "mutually beneficial practice." Crettez (2017) has identified circumstances in which a strict Berge equilibrium of a non-cooperative game is a mutually beneficial practice.

participant "recognizes the legitimate aspiration of the counterparties to also obtain a reasonable benefit, not *instead of*, but *alongside* one's own." Similarly, Bruni and Sugden (2008, p. 51, emphasis in the original) say:

> a market contract can be understood a *constituting* the contracting parties as a collective agent with respect to whatever joint enterprise is the subject of the contract. That goal is the joint benefit of the parties, within the specific confines of the relevant transaction.

This interpretation of a market contract provides an ethical understanding of economic exchange when the parties transact with the intention of jointly benefitting each other.

Importantly, Bruni and Sugden (2013) follow standard conceptions of virtue in understanding the required dispositions as involving specific *intentions*. Virtuous activity is not accidental but must spring from an agent's stable disposition to value certain things and *intend* certain outcomes. Market virtues thus are not simply practical dispositions to act in ways that tend to result in mutually beneficial market transactions; rather, a market virtue involves a "distinctive moral attitude to market relationships—an attitude characterized not by altruism but by reciprocity" (p. 153). Virtuous market participants hence view their transactions as moral occasions for reciprocal benefit. More importantly, they intend them to be mutually beneficial.

Bruni and Sugden identify eight market virtues but make no claim that their list is comprehensive. Two of them—*respect for the tastes of one's trading partners* and *trust and trustworthiness*—are self-explanatory. *Universality* is "the disposition to make mutually beneficial transactions with others on terms of equality, whoever those others may be" (p. 154). *Enterprise and alertness* is the disposition to seek out opportunities for mutual benefit both as a buyer and seller. *Acceptance of competition* is the disposition to "not obstruct other parties from mutual benefit in transactions with one another" (p. 156). *Self-help* is the disposition "to accept without complaint that others will be motivated to satisfy your wants, or to provide you with opportunities for self-realization, only if you offer them something they are willing to accept in return" (p. 157). *Non-rivalry* is the disposition "to see others as potential partners in mutually beneficial transactions rather than as rivals in a competition for a fixed stock of wealth or status" (p. 158). Finally, *stoicism about reward* is the disposition to "expect to benefit from market transactions only to the extent that [one] provides benefits that trading partners value at the time they choose to pay for them" (p. 160).

Market virtues on Bruni and Sugden's account also "apply in other domains of human life that are understood as cooperation among equals for mutual benefit" Bruni and Sugden (2013, p. 161), and so have wider applicability than just economic relationships. Bruni and Sugden do not claim that markets facilitate the cultivation of other moral virtues, such as beneficence or evenhandedness. Their claim instead is that there are certain virtues that are market virtues, worthwhile traits whose cultivation is specific to market activity and other practices whose *telos* is mutual benefit.. That there are market virtues does not entail that real-world market

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With a strict Berge equilibrium, a unilateral change of strategy by one person results in everybody else being worse off.

participants possess them; nor does it deny that many, if not most, of them care only about their own benefit. However, those who do not intend mutual benefit or seek only their own advantage are not praiseworthy *qua* market participants. Such participants are like unsportsmanlike tennis players; although they play by the rules, their general comportment is inconsistent with the internal goods of tennis, and for that reason they are fit for condemnation.

Before moving on, it is worth pausing to appreciate how the view of markets presented here differs from the classical liberal conception of markets as generally understood. On this view, markets are not merely instruments for mutually beneficial trade among free individuals who need not share common tastes or values. Rather, markets are social practices that provide opportunities for the cultivation of distinctive virtues associated with mutual benefit and reciprocity. Proper market behavior, then, requires that participants adopt a common moral perspective; they must see one another as engaged in a shared practice aimed at mutual benefit. Proper market interactions hence are structured by relations of *mutual concern* for the interests, liberty, and well-being of other participants. More than that, virtuous market participants must intend their market behavior to benefit other participants; this is incompatible with regarding other market participants strictly as *competitors*.

Our interpretation of Bruni and Sugden's virtue-theoretic understanding of the market offers a compelling response to the market critics we encountered earlier. Against the objection that markets embrace a subjective conception of value and of moral agents, they can reply that permitting one's partners in market exchange to set the terms under which they are willing to conduct a transaction is a way of honoring their unique evaluative perspectives; it thus is a way of respecting their agency. In treating the value of items of market exchange as defined by their *price*, one need not subscribe to the crude view that everything is a commodity; one can say rather that prices serve as a proxy by which market participants who may have drastically disparate priorities and ways of understanding value can nonetheless engage in mutually beneficial and respectful exchange. Once again, Bruni and Sugden's proposal places the moral perspective of reciprocating participants at the center of proper market behavior.

To the extent that their arguments are compelling, these features of Bruni and Sugden's proposal go a long way towards deflecting the standard moral criticisms of markets. More than that, they have identified an independently attractive view of markets. On this view, instead of breeding greed, markets produce mutual benefit; instead of promoting selfishness, markets promote fraternity and mutual benefit; and instead of corrupting internal motives, markets cultivate distinctive virtues. The question, then, is whether Bruni and Sugden's proposal as we understand it is compelling.

We take up this question in the following three sections. We consider three lines of criticism, each pressing on a respect in which Bruni and Sugden's proposal would benefit from further elaboration or clarification. Specifically, we consider (1) the extent to which normative case for markets is contingent on the intentions of the parties engaged in economic exchange; (2) whether mutually beneficial exchange is generally praiseworthy and whether mutual benefit is the only intrinsic good of market exchange; and (3) whether reciprocity provides a sufficient motivational basis on which to ground a virtue ethics of markets. Our contention is not that Bruni and Sugden's view is incorrect, but only that, as things stand, the soundness of their proposal is indeterminate without further elaboration.

5 Intentions and the Market as a Practice

For Bruni and Sugden, the market is a socially established cooperative human activity for the voluntary exchange of goods and services. As such, market arrangements constitute a form of social practice.[14] One of the goods internal to this practice is that the transactions are expected to be mutually beneficial. This good is realized when market exchange is voluntary.

While mutual benefit is a good internal to the market viewed as a practice, it need not be the case that market participants undertake their transactions both with the intention of advancing this objective and endorsing it as a worthy goal.[15] However, to the extent that someone is disposed to do so, he is virtuous. In other words, having the intention to benefit all parties to a market exchange is a *necessary condition* for a market participant to be considered virtuous. On this view, thinking of the market as a social practice *per se* does not presuppose that exchanges are undertaken with these intentions. With Bruni and Sugden's understanding of market virtues, one can distinguish between virtuous and non-virtuous market participation. The specific market virtues described in the preceding section are then particular dispositions that contribute to the attribution of virtue to a market participant.

Bruni and Sugden's understanding of the market as a social practice differs in a fundamental respect from that of MacIntyre. In common with MacIntrye, they regard markets as being "a coherent and complex form of socially established cooperative human activity" with its own internal good(s) (Bruni and Sugden, 2013, pp. 151–152). For them, this good is mutual benefit. However, to qualify as a MacIntyrean practice, a cooperative activity must also be understood by those who engage in it as being one in which the participants seek to realize its internal goods which, as we have seen, in not a feature of Bruni and Sugden's characterization of the market.[16] For example, on the MacIntyrean view, two individuals moving their respective chess pieces according to the rules are not yet engaging in the practice of playing chess; we should say they are merely *playing at* chess. Playing chess involves understanding the game as a practice, seeing it as a historically embedded

[14] For the moment, we put aside the question (to which we shall return) of whether this is a MacIntyrean practice.

[15] Henceforth, when we speak of "intentions for mutual benefit," we take this phrase to refer to both of the attitudes highlighted by Bruni and Sugden—the intentional orientation and the respect for mutual benefit.

[16] Recall that in MacIntyre's definition of a practice, the participants are "trying to achieve those standards of excellence which are appropriate to, and partly definitive of" the activities associated with the practice.

endeavor with its own internal goods that the participants seek to promote. In this way, MacIntyre's conception of a practice is *normatively thick*, not brutally descriptive. According to this view, simply engaging in voluntary exchange is not sufficient for the market to constitute a MacIntyrean practice; the participants must also intend to promote the internal goods of this activity. In contrast, Bruni and Sugden's description of the market as a practice does not speak to the intentions of the market participants, and so they have a non-MacIntyerean conception of a practice.

For Bruni and Sugden, to be morally praiseworthy, market participants must be disposed to seek mutual benefit. In other words, it is only if the parties to an economic exchange transact with the intention of benefiting each other that they deserve our approbation. It is these ethical judgments—judgments that Bruni and Sugden contend underlie the arguments advanced in the writings of those who advocate for markets—that provide the basis for a virtue ethics defense of the market.

Bruni and Sugden (2013, p. 153) "maintain that the market virtues are broadly descriptive of traits that many people ... display when they participate in markets." They do not claim that all market participants exhibit this virtuous behavior, only that it is commonly observed. This strikes us as being an inaccurate description of actual market behavior. Furthermore, even for those individuals who exhibit some of these virtues in their market transactions, we question whether they regard themselves as being engaged in a cooperative activity for mutual benefit. Consequently, it appears that Bruni and Sugden are not offering an account of virtuous behavior in markets as we find them today but, rather, as an account of what constitutes market virtues in an idealized market in which most participants already have mutually beneficial moral attitudes towards market exchange and possess the character traits that merit approbation in market transactions.

Conceding that market participants need not have mutually beneficial intentions and that they may not possess the market virtues that Bruni and Sugden have identified makes the case for a virtue ethics morality of markets contingent on whether the transacting parties have the "right" intentions and dispositions. If, in fact, in their economic activities, individuals act out of self-interest, market critics will see no good reason to abandon their positions. To rebut them, what is needed, or so we contend, is compelling evidence that most market participants have mutually beneficial intentions and that they exhibit some or all of the market virtues. This is a formidable task. Sugden (2015) and Storr and Choi (2019), among others, have provided what they regard as being empirical support that this is in fact the case. We defer a detailed discussion of this issue until Section 7. There, we argue that the empirical support for virtuous market behavior that has been offered at best shows that market participants act in accordance with virtue, not that they are acting from virtue, which is what is required for a successful virtue ethics defense of the market.

6 Mutual Benefit as the *Telos* of the Market

Regarding mutual benefit as the *telos* of the market is the foundation on which Bruni and Sugden's virtue-theoretic analysis of this form of economic activity depends. However, as we shall argue, identifying market virtues solely with respect to this *telos* is problematic. Mutual benefit is an intrinsically comparative term, requiring a baseline from which a change in circumstances can be *assessed as a benefit* (rather than, say, a setback or a wash). However, setting the baseline from which to assess whether market transactions are mutually beneficial is normatively fraught. Furthermore, even if there is an agreement on what a normatively appropriate baseline is and if market exchanges benefit all of the participants relative to this baseline, this does not preclude some of these transactions from being morally questionable.

Before we turn to our discussion of this issue, a clarification of who mutual benefit applies to when assessing the moral standing of market transactions is needed. Bruni and Sugden (2013, p. 157, emphasis in the original)

> ask whether the *telos* of the market is mutual benefit *among the parties to market transactions* (considered severally), or mutual benefit *among everyone in a society*. We suggest the former. On this view, the existence of externalities can be a reason for governments to regulete markets, but self-regulation is not part of the internal practice of the market.

This way of identifying to whom mutual benefit applies has been the subject of critical commentary by Fumagalli (2020a) and Gui (2021), so we set this issue aside here.

Bruni and Sugden (2013) have little to say about what their baseline is. Clarification of this issue is provided by Sugden (2015). As a baseline for assessing whether someone has benefitted from a group activity, Sugden uses that person's maximin strategy, which is the unilateral action he could take that guarantees the best possible outcome for him on the assumption that the actions of everybody else are the worst possible ones from his perspective. Applied to the case of the market, Sugden (2015, p. 157) proposes that

> in a model of an exchange economy, one might postulate an initial distribution of endowments and a system of rules that allows each individual to keep her own endowments if she so chooses and allows any group of individuals to trade endowments by mutual consent. In such a model, each players maximin payoff would be the value to her of keeping her endowments.

It is this baseline from which the the mutual benefits of market transactions are determined. It seems that Bruni and Sugden (2013) also use this baseline in order to determine whether market exchange is of mutual benefit. Mutual benefit defined solely in terms of this baseline regards any exchange in which the transactors intend mutual benefit and ground these intentions in attitudes of reciprocity as being a good for the purpose of normative evaluation regardless of how asymmetrical the projected distribution of benefits might be.

In one of the most philosophically astute analyses of the fair division of a cooperative surplus, Barry (1993, Chap. 2) argues that selecting a baseline reflects a moral judgment. The questions that need to be addressed are whether a proposed baseline is morally defensible and whether mutual advantage relative to this baseline is worthy of moral approbation. Bruni and Sugden (2013) say very little about these questions.

With regard to the first question, they typically speak of markets as being practices that "facilitate mutually beneficially voluntary transactions" (e.g., p. 153) without addressing the normative significance of the pre-trade situation. An exception is in their discussion of the applicability of market virtues to other social practices, specifically, to "domains of human life that are understood as cooperation among *equals* for mutual benefit" (p. 161, emphasis added). In this passage, Bruni and Sugden implicitly acknowledge that the baseline has normative significance and seem to imply that the participants in a cooperative enterprise must in some sense be equals in order for the practice to meritorious. However, no indication is given of the sense in which they should be equals.

Bruni and Sugden have somewhat more to say about the second question, but their discussion is quite preliminary. Fumagalli (2020a, p. 8) observes that "[o]n most accounts of fairness, the mere fact that a market transaction yields some benefit to each of its participants by no means guarantees that this transaction is fair." As examples of unfair interactions, he points to power imbalances in trading relationships and a possible absence of a disposition for distributing benefits fairly.[17] A market participant's intention to engage in exchanges that are fair, not just of mutual benefit, is one way in which he can show respect for his trading partners. However, a concern for fairness does not exhaust the ways that mutual respect is exhibited. For example, Hargreaves Heap (2021, p. 46) argues that

> our judgments about the worth of an action might involve many considerations in addition to whether the action is consistent with the rules of mutual benefit. For example, ... we may need rules for justice, honour and aesthetics and not just mutual advantage when mutual respect consists of more than mutual advantage.

While we focus of the fairness of market transactions in the subsequent discussion, our arguments also apply to these other considerations to the extent that they are thought relevant.

How might Bruni and Sugden respond to the criticism that a moral evaluation of market exchange needs to take account of the fairness of the practice, not just whether the participants intend mutual benefit? Sugden (2015, p. 160, emphasis in the original) acknowledges that fairness considerations are relevant in assessing the moral status of markets when he says "that for a practice to be genuinely cooperative, benefits must be distributed in a reasonably fair way [and that] by adding some minimum standards of fairness, it might be possible to construct a satisfactory definition of a *fair* mutually beneficial practice." However, he does not explore what these "minimum standards" might be.

Bruni and Sugden (2013, p. 161) note that the market virtues they propose are virtues relative to the practice of a market and not an all-things-considered endorsement of these virtues. For example, they say that "[s]toicism about market reward

[17] Fumagalli (2020a) provides citations to a number of sources in which this issue has been addressed.

can conflict with the pursuit of social justice." However, the nature of this conflict is left obscure. Furthermore, it is not clear from what they say if a concern for the fairness of market transactions can be determined without considering practices other than the market. Several possibilities are conceivable.

One possibility is that fairness is a criterion that should not be applied to the market in isolation. For example, it might be argued that fairness gains its relevance when assessing the combination of the market and a redistributive tax system, not just the market by itself. In this view, what matters is the distribution of resources post-exchange and post-redistribution. Nevertheless, while the fairness of these two practices taken together is surely of considerable importance, there is merit in considering the fairness of market outcomes and any dispositions of the market participants to seek fair mutually beneficial exchanges on their own.

A second possibility is that the fairness of the distribution of the gains from mutually beneficial trade is one of the goods (standards of excellence) internal the the practice of market exchange. In this case, Bruni and Sugden's defense of the market virtues they have proposed is incomplete to the extent that they have not taken this good into account. The problem is not then one that turns on the distinction between *prima facie* or *tout court* market virtues as the fairness criterion applies to a *prima facie* evaluation of putative market virtues.

A third possibility is that fairness is not one of the intrinsic goods of the market, and so does not apply to a *prima facie* account of market virtues. However, it does apply to a *tout court* account. Calderón Gómez et al (2024) suggest that in order to determine the worth of a practice, it is necessary to employ criteria that are not intrinsic to the practice.[18] In their view, these criteria serve as constraints that limit which mutually beneficial transactions deserve moral approbation. They argue that even if market participants intend their transactions to be mutually beneficial and these intentions are motivated by attitudes of reciprocity, the resulting transactions may not treat each others as equals, thereby offending their dignity.[19] Applied to fairness, this reasoning suggests that criteria distinct from the internal goods of the market are needed to distinguish meritorious mutually beneficial exchanges from those that are not, and to distinguish market participants whose dispositions fully merit commendation from those who do not. [20]

While the concerns raised in this section apply to everyday market transactions, they are particularly salient when considering phenomena such as "price gouging" following a natural disaster (Sandel, 2009, pp. 3–5). The view that such behavior is not virtuous is so widespread that many jurisdictions have laws that outlaw it. For concreteness, consider the asymmetric market relationship between a price-gouging grocer whose shop shelves are stocked with bottled water and members of a community facing a severe shortage of potable water due to an earthquake. Although the grocer is price-gouging when he sells his water, these sales are mutually

[18] In MacIntyre's account of the virtues, these criteria are provided by his second and third stages.

[19] The the extent that offending dignity disrespects others, this is another manifestation of the concern raised by Hargreaves Heap (2021).

[20] Bruni and Sugden (2013, p. 161) "have argued (in agreement with some but not all virtue ethicists) that the virtues of different domains can conflict with one another."

beneficial—the community obtains desperately needed water and the grocer earns an extraordinary profit. Insofar as both parties intend their mutual benefit, the buyers and seller all exhibit virtuous market behavior. But, even though these transactions are mutually beneficial and are intended to be so, they are morally disturbing. However, it would seem that Bruni and Sugden's "stoicism about reward" virtue would commend the grocer and his buyers for accepting this arrangement. For Bruni and Sugden (2013, p. 160, emphasis in the original), stoicism about reward "is associated with *not* expecting to be rewarded according to one's deserts, *not* resenting other people's undeserved rewards, and (if one has been fortunate) recognizing one's own rewards may *not* have been deserved."

We regard this kind of market relation to be morally repugnant because we believe that not all voluntary mutually beneficial transactions are commendable even if all the parties to them have intentions to promote mutual benefit and the market is considered in isolation. It is unclear where Bruni and Sugden stand on this issue. Bruni and Sugden (2013, p. 159) say that "being in a position to gain from mutually beneficial transactions with others at a particular time and place can involve luck as well as foresight." This suggests that the behavior of the grocer in our example is not problematic because he has had the foresight to have enough stock on hand to help his customers deal with the effects of the earthquake. But they go on to argue "that a market economy is only politically sustainable if everyone can expect to benefit in the long run from the wealth that markets create, and that might require some collective commitment to redistribution" (p. 160). Perhaps the same reasoning would warrant some limits on how much the grocer is permitted to raise his price. But, if so, then even a *prima facie* assessment of market virtues must look beyond mutual benefit in order to determine if the grocer's behavior is consistent with market virtue.

In summary, in this section we have argued that Bruni and Sugden have not clearly stated from what baseline mutual benefits are to be determined, nor have they clearly stated whether relative to a normatively appropriate baseline there are limits on which mutually beneficial transactions are praiseworthy either *prima facie* or *tout court*.

7 Virtuous Intentions and the Cultivation of Market Virtues

Fumagalli (2020a, p. 16, emphasis in the original) stresses that "assessing the aretaic merits of markets typically requires one to enquire into *not just* the behavior, but also the motivations and the reasons for action of the individual participants in these transactions." He makes the standard Aritstotelian distinction between "acting in accordance with virtue" and "acting from virtue" (Aristotle, [c. 330 BCE] 2000, 1105a25–1105b15 and 1112a18–1113a14). With the former, an action conforms with what virtuous behavior demands but does not take account of intentions, whereas the latter requires that it be undertaken with virtuous intentions.[21] Moreover, for an Aristotelian, it is not sufficient to act from virtue, it is also necessary that when engaging in a practice, one also cultivates one's virtues. This is accomplished by emulating virtuous behavior.[22]

There is an extensive literature that attempts to demonstrate that market participants act virtuously and that markets promote virtuous behavior.[23] The most sustained exploration of this issue is provided by Storr and Choi (2019). They offer evidence to support the following claims: (1) markets contribute to human flourishing, (2) market participants need to be virtuous in order for markets to work well, and (3) market activities reward participants for being virtuous, thereby encouraging virtuous behavior. Fumagalli (2020b) convincingly argues that Storr and Choi's arguments and empirical evidence offer only limited support for any of these claims. Furthermore, to the extent that their analysis is convincing, it merely shows that market participants act in accordance with virtue or that markets encourage behavior in accordance with virtue, not that anyone acts from virtue or that market participation cultivates virtuous dispositions. According to Fumagalli (2020a, pp. 5–6),

> substantiating the claim that markets can be generally regarded as a domain of intentional cooperation for mutual benefit would require one to complement statistically significant correlations between individuals' propensity to cooperate and societal levels of market integration with empirical (e.g., psychological) evidence showing that market participation reliably promotes individuals' intentions for mutual benefit. Regrettably, virtue ethics defenders of markets have hitherto failed to address this evidential challenge.

Thus, while market interactions may be *occasions* for individuals to exercise various admirable dispositions, no satisfactory account has been offered as to whether market participants act from virtue or whether engaging in voluntary exchanges promotes the acquisition of market virtues. That Bruni and Sugden do not address these issues in any but a cursory fashion is especially unfortunate because, as was noted above, a common line of critique holds that participating in markets *corrupts* our character by leading us to see everything as a commodity, an item whose value consists strictly in its use (Sandel, 2009, pp. 111–113). A successful virtue-theoretic defense of markets needs to address this argument.

Bruni and Sugden might respond that that such criticisms neglect to adequately take account of market participants' intentions for mutual benefit and the grounding of such intentions in attitudes of reciprocity. While we see some merit in this response, it needs to be further developed if it is to be convincing.

To get a better handle on these issues, consider a common way of formulating the commodification critique of markets. The critique holds that when a monetary

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[21] Fumagalli (2020a, p. 16) argues that in order to act from virtue, the following three requirements must be met: (1) "the individual has adequate reasons and evidence to infer that the examined action is in accordance with virtue," (2) "the individual chooses to perform this action mainly because such action is in accordance with virtue rather than because of other factors," and (3) "the individual chooses to perform the examined action from a sufficiently stable character."

[22] Aristotle ([c. 330 BCE] 2000, 103b27–29) says that the point of studying virtue is not merely to "understand excellence" but "to become good." See also Burnyeat (1980) and Hitz (2012)

[23] See Fumagalli (2020a, p. 14) for references to some of this literature.

value is attached to something, people typically fundamentally change their dispositions towards it, which in turn changes their conception of the good itself. A much-discussed example involves a day care facility imposing a small fine on parents who routinely showed up slightly late to pick up their children at the day's end (Gneezy and Rustichini, 2000; Sandel, 2012, p. 118). By imposing a $20 fine on any parent who was up to 30 minutes late, the day care commodified that half hour. Many parents interpreted the fine as an opportunity to purchase an extra 30 minutes of childcare. Their perspective on day care shifted away from seeing the facility's workers as trusted partners in caring for their children to seeing them as employees whose time at the end of the day was for sale. Those who promote this kind of critique contend that introducing a market mechanism to encourage timely pickup "crowded out" a moral comportment towards the shared enterprise of day care, replacing it with a crude employee-employer relation.

Bruni and Sugden (2013, p. 148) acknowledge the motivational "crowding-out" objection and that market behavior might be seen as selfish. However, in their virtue ethics defense of markets, they strive to provide an alternative narrative of market participants' motivations in which they do not have to choose between self-interest and virtue. Rather, in their account, the promotion of mutual benefit is facilitated by an attitude of reciprocity, a desire to view each other as contributors to a joint cooperative practice. This understanding of markets raises both empirical and conceptual issues.

As an empirical matter, Bruni and Sugden need to debunk the idea that market participants are generally motivated by self-interested concerns. This is a tall order. Sugden's (2015; 2018) analysis of market behavior in terms of team reasoning demonstrates that it is *conceptually* possible for market exchange to be understood in terms of intentions for mutual benefit grounded in attitudes of reciprocity, but this does not show that actual markets work like that, nor does it provide guidance as to how markets could be designed so that they do.[24] This is not to say that individuals do not sometimes seek mutual benefit based on an attitude of reciprocity. The experimental evidence of social interactions in a variety of contexts reviewed by Sugden (2018, Chap. 9) suggest that they do. However, this evidence, at best, shows that the behavior observed is consistent with acting in accordance with virtue; it does not show that the interacting parties act from virtue. Thus, as with Fumagalli's (2020b) critique of Storr and Choi's evidence in support of virtuous behavior in markets, the evidence offered by Sugden also falls short, and for the same reason.

As a conceptual matter, it is difficult to imagine what kind of *behavioral* evidence could be gathered that supports the claim that market participants have the market virtues that Bruni and Sugden articulate or that they are motivated by attitudes of reciprocity, rather than simply acting in accordance with such virtues or attitudes. Of course, one could simply ask them about their dispositions and motivations, but there is good reason to doubt the self-reporting of virtuous intentions. It is also not

[24] See, in particular, Sugden's (2015, pp. 146–147; 2018, pp. 229–231) analysis of his Market Game.

clear if such evidence would be acceptable to behavioral economists.[25] Similarly, it is not clear what credible evidence can be obtained to show that market activity tends to cultivate the market virtues and not just behavior in accordance with them. Even if it is possible to develop empirical or experimental strategies that bears on this issue, at present, convincing causal connections between market participation and the development of virtuous market dispositions and attitudes of reciprocity in market situations has yet to be offered.

8 Conclusion

Bruni and Sugden have gone a long way towards developing an authentically moral defense of markets by applying some of the conceptual tools of virtue ethics to market behavior. If the market is a practice that cultivates distinctive meritorious dispositions, then many familiar accounts of the moral limitations of markets will need to be drastically revised or abandoned altogether. However, as things stand, the arguments that Bruni and Sugden offer fall short of what is needed to determine whether a virtue ethics of markets along the lines that they describe should be endorsed. What they have shown is that it is *conceptually possible* to envision a mode of market behavior that expresses and exercises traits and dispositions that are both distinctive of practices (such as the market) whose *telos* is mutual benefit and plausibly regarded as virtues. To be sure, demonstrating the conceptual possibility of market virtues is an important initial step in making the case for thinking that markets are, indeed, of considerable value in facilitating flourishing lives. Yet, we believe that showing the conceptual possibility of a virtue ethics of markets is, by itself, insufficient to convince market critics of the kind that Bruni and Sugden are attempting to engage with that they have indeed provided a compelling case for a virtue ethics of markets.

In order to join the debate with market critics more fully, Bruni and Sugden need to argue that market participation *in fact* is both motived by an intention to promote mutual benefit and cultivates the distinctive virtues they identify. This requires them to show not only that exhibiting market virtues is consistent with real-world market participation, but also that market participation is causally involved in the cultivation and sustaining of those traits and dispositions.

The concerns that we have raised show that Bruni and Sugden's case for having "reclaimed virtue ethics for economics" is weaker than they suggest, or at least that it needs supplementation with further argumentation. We believe that Bruni and Sugden need to do more than show how market behavior can be *described* in virtue-theoretic terms. What is needed, or so we have argued, are a more comprehensive virtue theory of markets and compelling evidence that market participants both behave according to virtue and that market institutions encourage them to develop the dispositions to do so.

[25] Note that Sugden self-describes himself as a behavioral economist in the subtitle of *The Community of Advantage*.

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