

## MARKET, FREEDOM AND JUSTICE

*This article constitutes an attempt to present the market themes through the prism of the freedom of the market actor to pursue their self-interest and the associated expectations for achievement of certain justice. The freedom of the human as a market actor has a number of specific characteristics as compared to other freedoms they receive in their role as a citizen of a democratic state, such as the freedom of speech, of religion, of association, etc. The value concept of the market is embedded in the dual nature of the market actor. As a consequence, this results in duality of their interest and two qualitatively differing social environments where they strive to realise it. The freedom this market actor has in these two social environments is different, which gives rise to expectations for achievement of two dimensions of market justice. One is related to the specifics of the relationships of exchange between the market actors and the other is related to the distribution of competitive market opportunities between them.*

*JEL: A1; Z1*

### Introduction

The evaluations of the market as a value solution of the problem with production and distribution of the goods range from “hosanna” to “crucify”. On the one hand, we have not only expansion of the market geography, but also its influence as a regulator in non-economic activities of public concern. It is hard to predict where the activity boundaries of the market can expand. Theoretically, all activities of public concern could fall within them and turn market exchanges into the key mechanism for integration in society. Such a great transformation (Polanyi) may seem utopian at present. On the other hand, the market is subjected to never-ending criticism and defined as one of the factors to blame for the dramatic social inequality, the economic and environmental crises, the commercialization of relationships between people and the transformation of markets into the main incentive for human activity. In essence, these also constitute evaluations about the practical implementation of one of its primary values – the freedom of the market actor to make free choices, find their self-interest and strive to realise it. It is this type of freedom that many researchers have considered as the most essential value advantage of the market as compared to all the other institutional standards for production and distribution of the goods

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among people. It is the basis of entrepreneurship, which creates innovations and leads to the production of new goods with an increasingly high quality (Schumpeter, 1993). However, the same type of freedom is also defined as a form of exploitation exercised by certain market actors over others. (Marx, 1999 [1848]).

Probably, as long as there is a market, there will always be controversial evaluations of it. This means that the expansion and rethinking of the market knowledge will continue to be challenged before the representatives of different scientific fields. This article shall be considered an attempt in this direction. The thesis presented by the author is that the market actor's self-interest is a social construct and may not be concluded as being purely selfish. The market actor has the freedom to satisfy their needs and to achieve their desired goals not in the way they want to, but in a particular way. In the context of this understanding of self-interest, the freedom of the market actor to strive to realise it reflects on the expectations for achievement of certain justice. The author shares Hayek's opinion that the freedom of the market actor is a negative freedom. (Hayek, 1960, 1967). Since the market is an institution and a system of rules, the number and nature of these rules predetermine the "level of autonomy of market actors" (Weber, 1985 [1922]). Practical experience shows that this autonomy may be different in societies with market economy precisely because of the presence of different market rules.

The main research focus in the elaboration of this topic is the social role of the "market actor", which summarises the multitude of market subjects. The author's considerations for the choice of this research focus are as follows: First, the system of limitations (negative freedom) may be discovered to the fullest extent in social roles, which are an integral part of the institution of the market. Second, the one holding the "self-interest" is the market actor. The social role of a "market actor" may be used for recognising the entire range of self-interests of the different market subjects. Third, the significance of the social role of a "market actor" is in the specific exchange relationships in which the one performing that role is entitled to participate (Dahrendorf, 1977). They can realise their self-interest solely through these relationships. Fourth, the institutionalised rules of the relationships of exchange that market actors may perform among themselves involve an expectation for achievement of certain justice.

Through the realisation of their self-interest, the market actor satisfies many needs that are essential for their social reproduction. Therefore, the evaluation of the freedom they have to do this, as well as the evaluation of the justice achieved through this freedom, is essential for the value legitimacy of the market.

### **Social organization of compulsion to work through market freedom**

The market is one of the main institutions of democratic society whose sense could be hardly understood outside the sense of the society itself. The society is a unique body consisting of many people connected among themselves. A member of the society is not just the physical presence of a man anywhere in space and time. It is a sign of a person's emergence from his or her being of isolation and of becoming a state of connection with others and of the perceived dependence on them. The idea about society ensues from the

non-self-sufficiency of a single individual who cannot produce by himself all goods required to meet his needs. This compels him to live with other people and to become part of a community, which has to find collective solutions for meeting the needs of goods. Society is such a form. It is the social system, which is characterized by the highest level of self-sufficiency in regards to his surroundings (Parsons, 1977). In democratic society, people build their lives together by choosing to subject to rules rather than to the will of individuals and this is what makes them free' (...) when we obey laws, in the sense of general abstract rules laid down irrespective of their application to us, we are not subject to another man's will and therefore free.' (Hayek, 1960:134) The rules of living together should find the balance between freedom and compulsion as an important prerequisite for good life worthy of human dignity, which society should try to provide to his members (Sen, 1996; Nussbaum, 1999).

The basic problem, which should be solved by the society is how the compulsion to work, through which wealth (goods and services) is produced, should be organized. This is a choice of values, which gives solutions of two issues significant for living together: who will produce certain goods and who will use them to satisfy his needs. The solution of the first problem determines the access to the organization of production of goods and the access to exercising specific type of work. The solution of the second issue determines the access to goods.

The goods that satisfy collective needs are specified as public one and are produced by the state (protection of the national security, infrastructure, internal order, legislation, etc.). These goods are usually determined by the constitution and are closely related to basic principles of justice, on which the society is based. All members of society have the right to use public goods.

The market is a solution to the problem of the production and distribution of goods that are not public in society. According to it, non-public goods could be produced by everybody that meets the terms and conditions for the organization of his production and has the ability to work required for that. Everybody who has decided that he needs them and could pay for that has access to the non-public goods. This value-conditioned solution suggests *first*, that the value- organized activities related to the production of goods compete among themselves regarding the choice of owners of capital and ability to work and, *second*, the producers of goods (sellers) compete regarding the choice of buyers. The competition is a principle that constitutes the market. In this connection, Weber thinks that 'a market may be said to exist wherever there is competition, even if only unilateral, for opportunities of exchange among a plurality of potential parties' (Weber, 1978:635). The competition makes freedom possible and turns it in a mode of building of social relation (Offe, 1998). Such relation could also be established between market actors that perceive each other as adversaries (Weber, 1985). Beckert defines markets as 'arenas of social interaction. They provide a social structure and institutional order for the voluntary exchange of rights to goods and services, which allow actors to evaluate, purchase, and sell these rights' (Beckert, 2007:7). The practical establishment of the market requires its institutionalizing. The institution represents restrictions set up by people that point out the way to conduct concrete activities and the way to produce and distribute goods (North, 1990). The institutionalization of the market suggests setting up of rules that form the structure of a

certain space of actions in a system of positions, social roles and relationships among their performers as a permanent solution of the problem for the production and distribution of money and goods. In its deepest essence, the combination of these rules aims at organizing the compulsion to work in the society by providing to everybody the freedom to choose the goods in whose production to invest his capital, the ability to work to develop and the specific type of work to exercise them in (bring them in action). This concerns negative freedom, which Hayek determines as 'independence of the arbitrary will of another (...) freedom' refers solely to a relation of men to other men, and the only infringement on it is coercion by men' (Hayek, 1960:12). The negative freedom is a state where the coercion on a single individual by others is reduced as much as this is possible in society (Hayek, 1971; Friedmann, 2002).

It could be supposed that this freedom is experienced as *self-compulsion* by all those members of society for whom the organization of production of goods and the exercising of specific type of work is the basic (and the only one for some of them) legal access to money due to the fact that the access to goods is against money. Choosing to use his capitals and/or ability to work for production of goods for others, man actually seeks to satisfy his needs regarding acquiring property rights to money and goods.

### **Self-interest of the market actor as part of public interest**

The market rules express the public interest<sup>2</sup> about the way the market actors will acquire legal property rights to money and goods. Through this interest, society aims at realization of a few main common benefits: social division of labor, which to reproduce the society as a relatively self-sufficient activity system; self-compulsion to work for all members of society of employable age, for whom the basic or the only legal access to money passes through exercising freely chosen specific type of work (occupation) and competition according to rules among the producers of goods, through which to produce more versatile and of better quality goods necessary to satisfy needs of the people. Under the condition that each market actor follows the market rules, obtained is one of the principles of justice on which society is built, namely: the participation of everybody in the formation of the public funds proportionately to his property rights. Through these public funds, the state realizes its particular policies, which are also directed towards the achievement of the public interest.

The public interest from the functioning of the market is achieved practically through the realization of the self-interests of the market actors. When the self-interest of the market actor is concerned, most often Smith is quoted, according to whom: 'It is not from the

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<sup>2</sup> The concept of interest has a long history and refers to an euphemism of the Middles Ages. Exercising money-lending was prohibited then. (That did not mean that there was not any. Illegal exchanges dated from long time ago!) When somebody lent money to somebody else in the form of a loan, this was under the condition that the loan should be repaid in increased amount (the interest rate that is known today as the price of the borrowed funds). The concept of interest meant the continuous tendency to increase the amount of this interest rate (Hirschman, 1987). Later, the concept of interest received the meaning of profit, benefit, pursuit, depending on the quite different contexts of its use.

benevolence of the butcher, the brewer, or the baker that we expect our dinner, but from their regard to their own self-interest. We address ourselves, not to their humanity but to their self-love, and never talk to them of our own necessities but of their advantages' (Smith, 1979:27.). This interest does not include only the striving of the market actor to meet his needs of property right to money and goods but also the way it is permitted to do this. In order to be interested, one has to be aware about what is happening in a certain social game. This means that he has to acknowledge that the pledges of the game are significant and worthy to be followed (Bourdieu, 1992). Without any doubt, the market is a social game whose sense for the market actor is the possibility to acquire legal property rights to money and goods. The rules of this game *make the structure of the admissible ways* for acquiring such rights through performing some definite exchange relations. What the market actors could offer (give) and receive in these relationships in most synthesized way is reduced to the following: the employer offers jobs (performance of professional roles and the respective remuneration for that) in order to receive ability to work of specific quality (education, skills), which he needs in order to produce goods; the owner of the labor power offers abilities to work against remuneration; the sellers offer money, so that they can receive goods.

As the access to goods is accomplished through payment of their price, it is extremely important for the market actor to acquire legal property rights to money. He chooses freely the ways for access to money structured by the rules, which to take over. Interpreting the rules in understandable, logically consistent system of the admissible actions through which he will search to satisfy his needs of money, the market actor identifies his self-interest actually. He is the last instance for the estimate of what this interest represents (Habermas, 1983). Learning the rules, the market actor transforms his striving to satisfy his need for money into interest that shows him what he should give in order to receive what he needs. The rules outline the borders of his free field where he can search the realization of his self-interest. The recognition of the self-interest in the market rules is a rational action of the market actor. Sen thinks that 'the first and the most direct use of rationality must be normative: we want to think and act wisely and judiciously, rather than stupidly and impulsively' (Sen, 2004:42). The choice of the road along which the market actor wants to reach the money could be specified as rational from his point of view only. As a rule, he makes his choice without being able to envisage all consequences from it under the conditions of 'bounded rationality' (Simon, 1955).

Only the self-interest of the market actor identified in the rules and its pursuit within the frames of the freedom provided by the rules could be irreproachable from a moral point of view. The market actor could seek protection by the respective state institutions only in regards to this interest in the cases when somebody is trying by his actions to hinder its realization. This realization passes through what the market actor could offer others, what could satisfy their needs and could be part of the solution of the problem with their lack of self-sufficiency. He is aiming at being selected for exchange, as in the long run, the free choices of others decide whether his self-interest will be realized or not. In their turn, they also try to realize their interests through choices of market exchanges. This expresses the basic principle of the market that market exchanges between people pursuing their self-interests should be mutually beneficial.

### **Self-interest and justice**

Linking justice to a society of free people, such as the market actors, is incompatible (Hayek, 1977). This thesis of Hayek cannot be considered as doubtless. Market actors have freedom that is restricted by the market rules. The competition also is a competition by rules rather than any absolutely free competition. The rules of acquisition of property rights to money and goods through exchange relations, as well as any other rules, regulating social relations, inevitably cause appraisals of justice.

The market actors realize their self-interests through exchange relations between themselves as a result of a free choice, free negotiation and achieved consent on the equivalence among exchangeable goods. What is supposed to stay behind each free choice for exchange is the desire of the market actor to satisfy his needs in the best possible for him way within the frames of the alternatives he knows. He is the only one who knows what his expectation (idea) is about the maximization of the utilities, which he seeks to receive within the frames of an actual exchange relation. The utility is the subjective estimate, which the market actor makes on the grounds of the correlation of the respective good (in the aggregation of utilities, which he has found for himself in it) to the needs he expects to satisfy by means of this good and to the exchange means, which it should give in replacement. Inevitable part of every free choice for exchange, as a moment of the realization of the self-interest of the market actor, is his estimate for the relationship between what he gives and what he will receive. Because of that, each actual exchange is performed after the market actors (the parties to the exchange) find a balance between their subjective estimates for the justice of the equivalency of the exchangeable goods. This equivalence is achieved rather within the framework of each individual exchange among them rather than existing outside the market actors. This gives reasons for expectations that the realization of the self-interest of the market actor passes through exchange relationships, for which equalizing (balancing) justice is typical.<sup>3</sup>

The way in which market actors' chances to realize their self-interest in the acquisition of property rights to money are distributed is also subject to fairness judgment. Under the conditions of competition, these opportunities are determined by the exchanges realized by the market actor. Hayek thinks that justice as distributing justice is incompatible with the market, as the market does not distribute revenues (Hayek, 2004). This is really so as far as in the case of the market there is no original wealth, including a pecuniary one, to be distributed. The market as a combination of voluntary market exchanges is a spontaneous order, which is a result of multiple difficult to forecast free choices of market actors that decide when, where, with whom and because of what the market exchanges are realized according to their criteria. How many property rights to money that the market owners (manufacturers of goods and holders of ability to work) will depend on the free choices of

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<sup>3</sup> The idea of levelling (balanced) justice could be found in Aristotle <http://classics.mit.edu/Aristotle/nicomachaen.html>. He distinguishes between general (universal) and private justice. The general justice as a perfect virtue is embodied by the law. The private justice could be distributive and is carried out after the principle of proportion and commutative (equalizing) justice characterizing the exchange relationships between people, which are set up on the basis of their free choices and the consent on the equivalence of the exchangeable goods.

buyers and employers. Because of that, with market this concerns distribution of opportunities for realization of the self-interests of the market actors in acquiring property rights to money rather than the distribution of revenues. The concept of opportunities is used by Weber, when he determines the market as ‘competition of market chances’ (Weber, 1985:36). In case of equality of all market actors regarding the rules, each of them takes from the market what it gives him under the condition that he has played fair (Hayek, 1967). And what he can obtain from the market is defined by the free choices of others. These are his market achievements. If every market actor pursues his self-interest in acquiring property rights to money within the frames of the rules, then it would be fair to have the one who has achieved more market success. Practically, this justice is not realized in the cases where part of the market actors transforms their self-interests in selfish ones. A potential for similar transformation is included in the dual nature of the market actor and the two sides of his self-interest ensue from them.

### **Duality of the self-interest of market actor**

The way in which the market provides the possibility for the satisfaction of needs of property rights to money and goods predetermines the specific ambiguity of the market actor. On the one part, he should be a seller offering for exchange goods as a condition for access to money, and on the other part, a buyer receiving property rights to goods against money. The market urges to achievements the owners of capital, of land and of ability to work. These achievements are desired by the buyers that are the same owners of capital, of land and of ability to work (Mises, 1940). The ambiguous nature of the market actor causes two relatively differentiated sides of his self-interest, which he realizes in radically different environments.

#### *Self-interest of market actor-seller*

The first side of the self-interest of the market actor is specified by his choice of a road along which he will reach the money. This is the road of a seller. The market actor decides whether this road passes through organizing his own production of goods, which he will offer for exchange against money (independently or hiring to this effect other market actors as well), or through the formation of ability to work of specific quality, which will be offered for exchange against remuneration.

The market actor-seller who wants to organize his own production of goods, compares the activities in the society, where he can make this; the conditions, which he has to meet in order to receive access to these activities; the competitive environment in each of them and their own knowledge, skills and competences. Depending on this estimate, he also recognizes his self-interest in the face of that production of goods, where he freely chooses to invest his capital (and in some cases ability to work as well). The first step to achieve this interest is the realization of the freely made choice for organization of production of goods. To this effect, the candidate for market actor-seller should receive access to the performance of the activity chosen by him. He is not competing with anybody in order to

realize this free choice of his. The only thing, which is required by him, is to meet the conditions for access to the respective activity. These conditions are determined unilaterally by the state in different regulating regimes according to which the access to performing a specific activity starts after receiving a license, permission or registration. Only after meeting the conditions for performing the activity desired by him, the market activity starts to produce and offer for sale goods in compliance with the market rules and under conditions of competition. His interest is to exchange them against property rights to money. He needs it in order to be able to continue the process of production of the good chosen by him (to continue being a seller), as well as to acquire property rights to goods, with which to meet his needs. In order to realize this interest, the market actor-seller orients his supply according to the potential activities of indefinitely big number of real or imagined competitors with their self-interests in the exchange (Weber, 1985). He undertakes actions within the frames of the field of freedom outlined by the rules, so that it could be competitive and win as much as possible free choices on behalf of buyers. It depends on the free choices of buyers to what extent he will achieve his interest. When the market actor-seller chooses the organization of production of goods as access to property rights to money, he is not interested at all how his choice will affect the social division of labor. He is free to identify his self-interest among the multitude of possibilities, which provide him the rules, led only by the desire to achieve his goals – in this case, to acquire legal property rights to money.

In the cases where the individual is aware that he cannot be a market actor-seller who organizes by himself the production of goods (because of the impossibility to meet the conditions for access to production, because of the lack of will to undertake such entrepreneur's risk or because of any other reason), his only possibility to respond to the compulsion to work is to set up ability to work, which to offer for exchange. His self-interest is to receive property rights to money through access to performing a specific type of work (exercising a specific occupation). The realization of this interest passes through making two free choices. The first is the choice of acquisition of specific ability to work as a pre-requisite for the performance of desired type of work. This choice is realized within the frames of a certain educational institution under the rules of receiving the respective educational qualifications which cannot be affected by the individual. He should perform them. The second choice is the choice of an employer with whom the market actor-seller to exchange his ability to work in order to receive access to exercising of desired type of work and the corresponding remuneration. In such a case, his free choice meets the free choice of the employer. The market rules provide freedom of choice both to the owner of the ability to work and the employer who needs it in order to produce goods. Both parties are free to negotiate the conditions of the exchange. The market actor who offers his ability to work for exchange against remuneration realizes his free choice only in the case of agreement reached with the employer about the amount of the remuneration and the working conditions. After the realization of this choice, the self-interest of the owner of the ability to work is to preserve and/or improve his position in the organization. In this part, his self-interest coincides to a certain degree with the self-interest of the employer and is directed to the protection and/or improvement of the competitive chances of the organization. This coincidence of both interests is due to the fact that under conditions of competition, the owner of the ability to work is object to two estimates. On the one hand, his ability to work



is appraised by the employer. The estimate of the employer regarding the choice of the ability to work offered for exchange against consideration is part of his risk as an entrepreneur. This estimate reflects his expectation that the ability to work chosen by him will produce such goods, which are to be chosen by the buyers. The estimate of the owner of the ability to work in the form of the material work by him is on the other part. This estimate is made by the buyers. Because of that, both employer and owner of ability to work orient their activities to the achievement of common (corporate) interest – realization of market exchanges through winning the free choices of the buyers.

In the case of market exchange of ability to work against remuneration, which is performed after a free choice of both parties (employee and employer), and both free choices exclude the access to his resources (labor power and capital) for other employers and other market actors offering ability to work for exchange. (Both ability to work and capital are scarce resources). There is an exchange between two parties, which in their essence are in competition with others like them. The competition among the persons offering their ability to work against remuneration is much fiercer than the competition among employers seeking labor power of one and the same profile. This is due to the more alternatives for choice, which the owner of the capital has for the choice of its implementation, which should ensure him the receipt of property rights to money. This is the supremacy of money over the remaining scarce resources, which has less alternatives for implementation. This supremacy is perceived to a much bigger extent by sellers than buyers (Simmel, 1989).

The market actor-seller who chooses to exchange his ability to work against occupation of a job position, offered by an employer, is competing for this job with other owners of ability to work. Under the concrete situation he might not realize his free choice, which will compel him to make the following free choices. The compulsion to work as a condition for legal access to money could turn for this market actor-seller in a *compulsion for exchange of labor power against exercising any work*, in any organization. This is possible to happen when the market actor-seller meets the risk to remain without any property rights to money due to unrealized access to work and will not be able to compare alternative proposals for work anymore and is compelled to accept what he is offered. For this market actor, the *self-compulsion to work turns into compulsion to work*, which most probably he would not exercise under other circumstances. In this case, he accepts the conditions for exchange of ability to work against remuneration, specified by the employer, even to estimate them as unfair because there is no other alternative for access to money.

The market actor-seller can make his free choice for exchange of their ability to work against occupation of a job position in state and municipal organizations that do not conduct their activity under conditions of competition. In such cases, his free choice is implemented if he is chosen by the employer (the state, the municipality) among the competitors that have made the same free choice. (Political assignments that do not follow the rules of completion for occupation of a job position are an exception.) When the market actor-seller has made his choice to be employed by a state or municipal organization, he has accepted in advance the amount of the remuneration and the work conditions as they are specified in the respective statutory framework. After taking a job, his self-interest is expressed an ambition for career development (occupying a higher position in the organizational hierarchy) or preserving the job. As the goods produced by the state and

municipal organizations are public as a rule, and their realization is not carried out under the conditions of competition, the achievement of the self-interest of the market actor-seller depends on the conditions of career development and the appraisal of his managers. However, the employed in such organizations are subject to political (party) competition. The cases, where the change of one party or coalition in power with another leads to laying-off of state and municipal employees and their replacement with ones who are loyal to the party.

#### *Self-interest of market actor-buyer*

**The second side** of the self-interest of the market actor is related to his role of a buyer. This is one of the main roles through which he acquires property rights to goods to meet his needs. The market actor-buyer is interested to have the freedom to make his choice under the conditions of many alternatives of goods that compete for his money. An integral part of his self-interest is to dispose of reliable information about alternative goods through which to minimize the choices, which might not satisfy him. In this respect, he relies on those market rules that are directed to the protection of users, of information media which he chooses to trust and to non-governmental organizations of users. The goal of the market actor-buyer is to receive the best possible combination of goods (as quantity and quality) in exchange to his money. However, according to the market rules, he can acquire only those goods desired by him, whose price he can pay. His property rights to money outline the field of freedom within the frames of which he rationalizes his actions (choices) over the complicated system of comparisons and evaluation of familiar alternatives. Choosing goods, the market actor-buyer actually accepts the equivalent of the exchange, which the market actor-seller has offered through the price. In this way, *each realized free choice of the market actor-buyer realizes also the principle of the balancing justice in the concrete exchange relationship between him and the market actor-seller.*

#### *Connection between two sides of the self-interest of market actor*

The two sides of the self-interest of the market actor are connected by: *first*, other social roles, which the person performing the role of a market actor has included and/or wants to include in his ensemble of roles, and, *second*, money. In his life, man performs a multitude of roles that are interrelated. They express the need of social connections through which he makes the appraisal that he can solve the problem of his self-insufficiency. The drama of modern times ensues from the very fact that people cannot have connections among them, from which money is missing, nor connections, which have not been embodied by money under one and the same form (Moskovici, 1988). Due to this, the free choices, which one makes as a market actor-seller and a market actor-buyer are affected by his desire to perform other social roles of his (for example, the role of a spouse, parent, etc.)

Money connects both parts of the self-interest of the market actor, as they are his *quasi purpose in his position of a seller and means in his position of a buyer*. When in his position of a seller the market actor makes his free choice for organization of production of goods or for exchange of ability to work against remuneration, for him money is *an*

*expectation for realization of his self-interest as buyer.* This is quite natural, as money has sense only because it can turn into different goods. Neither the choice of organization of production of goods, nor the choice of exercising a specific type of work are end in itself for the market actor. They are the required means for legal access to property right of money and prerequisite (condition) for realization of his self-interest as buyer. Striving realization of his self-interest for access to money, the market actor-seller thinks about his interest as a market actor-buyer. He thinks about money as a scarce resource and as such, it is his basic motive (Luhmann, 1988). Money is necessary for the market actor-buyer not only for acquiring property rights to goods through free choice. He makes also a number of exchanges for money, where he does not have the freedom either to make them or not as far as they are compulsory for him (for example, payment of goods, which are produced by monopolists, administrative charges, taxes, etc.). Due to the exclusive variety of goods, which might be acquired against money, their utility grows, and so much at that, that it turns into absolute utility (Simmel, 1989). Because of that, non-achievement of money as quasi purpose is experienced dramatically by the market actors, particularly by the ones for whom the only or the basic access to money passes through their position of a market actor seller. The ambiguous being of money, both as quasi purpose and means in the self-interest of the market actor could cause ambivalent attitudes to the completion rules, which could transform his self-interest in acquiring property rights to money into selfish ones.

### **Selfish interest of market actor**

However, regarding the discourse of everyday life, the selfish concept has rather negative connotation and is interpreted as the ambition of man to receive, without giving anything, what is specified under the rules of a given type of exchange. Self-love (Smith) and selfish are completely opposed rather than one and the same thing, as far as the self-seeker knows one pleasure only – to take without giving anything instead (Fromm, 1947). Cases where market actors often transform their self-interests in selfish ones could often be identified in the practical realization of the idea of a market. One of the possible reasons for that is that the market actor realizes the both sides of his self-interest in two completely different environments. When he is seeking realization of his self-interest in the role of a buyer, he is not competing with anybody for access to goods. Other market actors-sellers compete for his free choice (with some exceptions as tenders and auctions for pieces of arts). The market actor buyer is interested in having many producers of goods competing for his money, as this provides him more freedom to make choices. *He is the subject that compares, appraises and chooses.* The situation where the market actor is seller is radically different. He pursuits his self-interest in acquiring property rights to money, competing together with many other market actors like him, which turns him into *object of comparison, appraisal and choice.*

The competition is part of the value-conditioned architecture of market. It is not choice of the market actors. It is *compulsion* imposed by the market rules that does not guarantee to the market actor-seller that he would succeed to realize his self-interest. In this case it concerns not just acquisition of property rights to money, but the acquisition of the *desired amount of such rights*, through which the market actor expects to continue being both a

seller and a buyer. Each market actor-seller meets to a great or small extent the risk that within the frames of his free space outlined by the rules, he will be able to conduct those actions, which will provide him the required competitive advantages before other sellers, because of whom he would be elected for the market exchanges he needs. Due to this, some market actors-sellers seek possibilities for provision of better market opportunities for access to money. Most frequently such possibilities are different lobbyist activities through which some market actors attempt to create niches of at least temporary monopoly in which they are shielded from competition (Porter 1985; Knight 1985). Other market actors find such possibilities in their choice to produce goods in the grey economy. Third are oriented to participation in different corruption practices related mainly to the winning of public orders and tenders organized by the state. In all such cases, it concerns conscious actions through which the market actor tries to realize his selfish interest rather than his self-interest as a way to the money specified by the rules. Changing the market rules that restrict the access of the other market actors to the execution of activity, or violating the market rules he compromises the value-conditioned sense of the market that everybody has the right to pursue his self-interest rather than decrease the competition chances of the other market actors.

The transformation of the self-interest of the market actor in selfish *changes the value-conditioned sense* of the market competition. When it is conducted according to rules, it is a peaceful form of competition between the market actors-sellers for the Third party (Simmel 1989). However, when some of the market actors-sellers transform their self-interests in selfish ones, this competition becomes one for elimination of the competitors and restricts their freedom to realize their self-interests rather than winning the free choices of buyers. Market freedom suggests that all market actors-buyers to be able to participate in the competition for acquisition of property rights to money. Those, whose participation in the competition is hindered, or who, because of some reasons, are excluded from it, in practice cannot realize their self-interest as sellers. The equality before the competition rules has a significant importance, as it is the competition itself that makes possible free choices through which the market actors build connectivity between themselves. It is also a tool for bringing about solidarity between people (Homman, K., Blome-Dress, 1992). At first glance, such a thesis could be accepted as provocation. However, the constituting idea of the market competition is that through it the market actors try to realize their self-interest, understood as the chosen by them, but structured by the market rules way for reaching money by taking into consideration the interests of others. The dramatic connection between the freedom and money is expressed in this. The market actor-seller is free to seek realization of his self-interest in acquiring property rights to money, however this realization passes through the free choices of others. The assumption that the competition as a fair competition according to the rules ruins the solidarity is rather jobbery. The violation of the rules of the competition, the perception of absence of equality before the rules, the possibility of some market actors-sellers to realize their selfish interests rather than competition itself cause negative evaluations of the market functioning in the society. These appraisals could very easily be transferred on the very value-conditioned idea about market and, most of all, on the possibility the chances of the market actors for realization of their self-interests in acquiring property rights to money to be distributed fairly according to their achievements through it.

The equality before the market rules is one of the conditions for the clear distinguishing of freedom as a means of market actors for realization of their self-interests. The content of the market rules that should provide one and the same free field for action of the market actors is also important. The possibility of market actors to seek within the competition rules realization of their self-interests is both economic and social contribution to achievement of the public goals through the market. It finds expression in the fact that the people, by getting connected among themselves try to establish goods of better quality, to develop technology and to find new technical solutions of production issues, to become aware of themselves as significant for each other through what they could give to themselves. This contribution is not studied to a significant extent and is even underestimated in regards to the contribution of competition for allocation of production factors.

### **Conclusion**

What the market actor tries to achieve is property rights to money and goods. He himself chooses the road along which to reach to this rights among the roads offered to him by the market rules existing in society. In this way he identifies his self-interest. Through it, similarly to a small window, he sees and appraises only this part of the market that has any relation to his own market choices, his self-interest and the possibility for its realization. He might not be interested by the macroeconomic indicators obtained through the functioning of the market. And he might not know what they reflect. His view reaches to what builds 'his market'. His wages or profit is there as well as his competitors, counterparts and partners, his credit obligations, his property rights to money, against which he can (or cannot) choose freely the goods necessary to satisfy his different needs are there. His everyday efforts to preserve his job, to make a career or to preserve his company are there. The sequence of the free choices he makes every time when he could not realize the previous ones, e.g. to seek job again, to start new production again, to improve his qualifications, etc. are there. Sometimes they are compulsion rather than his free choice as a result of the freedom of other market actors who have not chosen to perform market exchanges with him. In the long run, the market actor assesses the freedom through the prism of the possibility to solve through it a part of the problem of his self-insufficiency, for which he has estimated that he needs property rights to money and goods.

The pursuit of their self-interest though the occurrence of free, voluntary and mutually beneficial relationships among the market actors let them free of any excessive emotionality, empathy, compassion. The rationality, in the sense of sober calculation of benefits and costs, turns into morally irreproachable pragmatic discourse of the market. However, this is valid only and solely in the cases where the self-interest of the market actor has been taken out from the market rules and its realization is carried out only within the frames of the rules. When market actors manage to realize selfish interests, they make it on behalf of other market actors, whose freedom they violate.

The social picture of the market is born from the million actions, which the market actors perform in order to realize their self-interests. The market in a society is not some mystic

subject. It is what the market actors do every day in their pursuit to money and goods. They establish the stability of the market, when they have agreed to realize their interests according to the rules and have turned the prohibitions, compulsions and freedom ensuing from them in their culture identity. People are only bearers of the ensuing under objective norms levelling of the “you give – you receive” ratio (Simmel, 1992). Whether market actors will give what is required by them, namely – subjection to the rules in order to achieve their freedom to realize their self-interests depends on their perception for the equality of everybody before the rules and their subjective judgement about these rules as fair ones.

Under the conditions of globalization and free movement of goods, capitals and people, the countries are competing regarding the attraction of investments and ability to work through market rules (regulating regimes for access to production of certain goods; employment and tax legislation; regulation of financial institutions, etc.) This competition is taking place in a world full of risks, which seems to have only one hope remained – the peace of the market (Bolz, 2002). The realization of this hope requires efforts and political will for establishment of a market where the market actors have to achieve their self-interests rather than their selfish interests. Lack of such political will results in the replacement of society by ‘Ersatz society of users rather than members, constructed from below, that appears to have grown out of a libertarian wealth of alternatives and is sold ideologically as a large adventure playground while in fact reflecting a destructive absence of social order.’ (Streck et al., 2016:169)

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