

[Larger markets make us more fair to each other](#) [1]

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There's a rather odd idea common among lefty and greenish types about markets and their scale. Partially based on the ideas of Karl Polanyi, the thought is that if we restrict our trade, the market we deal in, to those we know and with whom we have a web of mutual obligations then somehow everything will be fairer. More lovely even.

The problem with this is that, well, it just doesn't seem to [be true](#) [3]:

Large-scale societies in which strangers regularly engage in mutually beneficial transactions are puzzling. The evolutionary mechanisms associated with kinship and reciprocity, which underpin much of primate sociality, do not readily extend to large unrelated groups. Theory suggests that the evolution of such societies may have required norms and institutions that sustain fairness in ephemeral exchanges. If that is true, then engagement in larger-scale institutions, such as markets and world religions, should be associated with greater fairness, and larger communities should punish unfairness more. Using three behavioral experiments administered across 15 diverse populations, we show that market integration (measured as the percentage of purchased calories) positively covaries with fairness while community size positively covaries with punishment.

In fact, it's not just not true it's the very opposite of the truth.

As endless repeats of those experiments about how people will punish cheaters, even at cost to themselves, show fairness isn't something innate, it's something societally drummed into us by the responses of others to unfairness. And for large scale exchange societies to work we need more of that drumming into us and thus a greater appreciation of and desire for fairness. They just don't work without that so in those that do work we see more, not less, fairness.

All of which means, of course, that those promoting this idea of small scale society promoting fairness will immediately change tack and promote global markets as the way to increase fairness in society. Won't they? Anyone?

The absence of their doing so in the face of changed facts could be taken to mean that they never actually believed their own argument in the first place.

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