

The Free Market is Always Regulated

Whenever one contrasts free market and “regulated” market, he tries to play an Orwellian trick on you. The free market is by definition regulated by the interactions of consumers and producers – producers regulate each other’s plans through the process of entrepreneurial competition, while consumers regulate the plans of producers through the exercise of their sovereign buying decisions. The result is a wonderfully intricate, disciplined, and effective social organism that creates and distributes resources in as rational a way as the cognitive skills of all productive members of society make possible.

In view of the above, “regulating” the free market turns out to be nothing more than a euphemism for violently interfering with its operation, thus necessarily derailing its intricate allocative processes and effectively deregulating it in the worst sense of the term. You should never fall for this semantic trick. The choice is never between absolute freedom and regulation, but between regulation by the customer and regulation by the plunderer.