This paper raises a question in its title and proceeds to provide an answer in a very scholarly fashion. The origins of the welfare state are amply documented together with its shortcomings as it has developed in Europe. Worthwhile ethical distinctions are made with respect to the tension between security and freedom. The punchline is that there is no moral or ethical imperative to provide security to those who do not need it, especially at the expense of freedom. Therefore, whether or not one views this as an ethical implication of the welfare state the answer to the question is no. On the other hand, Martínez-Piedra stresses that there is a moral obligation for any system to provide means of sustenance at a decent level for those who are unable to take care of themselves. Hence, if capitalism or the free market is adopted, one should avoid its excesses and provide a safety net for “the truly needy” so that a post-Castro Cuba would have what one could call “capitalism with a human face.”

One would have to be very callous to argue with this objective. Unfortunately, the paper is not very insightful in guiding us on how to accomplish this objective. Identifying the truly needed is difficult and the moral hazard problems associated with helping the truly needed are ignored. For instance, with respect to mental illness the term enablers is now well established, at least in the more popular part of the literature. These individuals help the mentally ill but at the same time enable them to continue with manifestations of their illness whereas withdrawal of their support leads the mentally ill to suppress these manifestations just as the healthy do. Most of the recent literature on targeting of the poor recognizes the difficulty in reaching the poorest of the poor, many of whom would fall under this category of the truly needed. Therefore, we conclude by urging Martínez-Piedra to examine the difficulties in providing for the truly needed next year with the same careful attention that he devoted to the evils of the welfare state this year.