

Why Flexible Disaster Pricing is Necessary

Take a look at the displayed picture and tell me what you see.

My understanding is that this is from a Walmart in Florida, where Hurricane Irma is expected to hit. Let's assume that's true for the sake of argument.

Is this person being responsible?

For starters, why is she still in Florida? It seems to me like the most responsible thing you can do is leave. And there's plenty of water elsewhere.

But more, how is it she's able to purchase so much water? Because the government has made it illegal to price emergency goods according to supply and demand.

When sellers of these much-needed goods do raise their prices, they're attacked as "price gougers" and, it is claimed, they are doing it for the windfall, to profit off of the plight of others.

But what's happening here if not a person receiving a windfall, profiting off of the plight of others?

She's able and willing to purchase so much water because the price is being held down by government. What happens when the next person arrives, in arguably more desperate need than her for water, and it's all gone?

If the price were set by a computer to prevent a shortage, everyone who needed water would find it available. Nobody, without having to spend an arm and a leg, would be able to buy so much for themselves. They'd be forced, par circumstance, to economize, and everyone who needed water would get it, either with the current supply or with the forthcoming supply by further away enterprising individuals.

This person probably feels giddy over the windfall she is receiving; how fortunate she is that so much is currently available to her. Shouldn't that be viewed as just as "greedy" is the price gougers? Maybe I can think of a name for this behavior...

I got it: *plight gougers*.