

They Miss Economic Concepts and Incentives

I think there is an intuitive criticism of free markets that I have empathy for, but is totally wrong. I find something somewhat sexy about this contention ... but I do think it is incredibly myopic.

I like to think I am a good businessman. I think I am uniquely capable at running a pest control company. However, I think many people could learn the knowledge I hold, and many other great businessmen could also run a successful pest control company.

I can observe many other businessmen who hold qualities better served towards the goals I have. I am incredibly proud of what I have built and the results I have earned, but I hold no illusion that there are people who could've created more value than I have.

This all being said, I think I have unique abilities in other fields that I am vastly more uniquely skilled in. I am a trained singer. I am a trained instrumentalist. I am a trained conductor. I am a trained teacher. I am a trained director. In fact, Vastly more people can run a pest control company better than me than can run a choir, opera, or musical theater production better than me.

If a person doesn't understand economics they would think my resources are being inappropriately allocated, but they would be wrong. They miss many economic concepts and incentives that show I should probably be leading a pest control company rather than pursuing music. The main misunderstanding they have is in understanding subjective value. In short, people are willing to pay vastly more for quality pest control than the difference in mediocre choir direction and great choir direction.

People in the arts think this is a misallocation of resources, but that is mere arrogance. The reality is that people don't find relative values in these artistic skills as these artists think they should.

I think I am a skilled performer, producer and director. In fact, I think I am amazingly skilled in certain arenas that other people aren't. That beings said ... what I am uniquely skilled in isn't that valuable, and I accept that. Ergo, I will learn skills that I am not quite uniquely talented in, but has vastly higher market demand. People who critique the market cannot accept this because they can't accept subjective value. People think others ought to change their values.

I think I am a better choir director than I am a pest control businessman. However, I make much more as a businessman because the market forces at work value a good businessman more than a great music director. Even if I am better at one task, I am more valuable to people's subjective preferences at another.