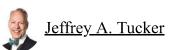
3 Reasons Why It's Okay to Have 23 Kinds of Deodorant

In defense of deodorant (and consumer choice)

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Economics <u>Statism</u> <u>Socialism</u> <u>Private Property</u> <u>Competition</u> <u>Knowledge Problem</u> <u>Democracy</u>

<u>Central Planning</u> <u>Poverty</u> <u>Market Power</u> <u>Market Process</u> <u>Demand</u> <u>Supply and Demand</u> <u>Politics</u>

Bernie Sanders, that sweet old socialist who we would have to invent if he didn't exist in real life, elicited guffaws all over the Internet with his now famous comment about deodorant choice.

"You don't necessarily need a choice of 23 underarm spray deodorants or of 18 different pairs of sneakers," he said, "when children are hungry in this country."

Actually, his comment taps into an intuition that massive numbers of people feel every day. The hysteria about SUVs a few years back was based on this same question and intuition. Why such riches amidst such <u>poverty</u>? Is there not something we can do to reallocate obvious decadence toward more pressing human needs?

You don't have to be a socialist to have such thoughts. There's someone at every cocktail party in the world, and every faculty lounge, who grumbles in exactly this sort of way.

The errors here are three:

1. The Zero-Sum Presumption

The underlying theory here is that the proliferation of deodorant and tennis shoes come at the expense of food for the poor. There is only a certain amount of wealth in the world, this thinking goes. Economics is a matter of acquiring and allocating, not creating. This was the view of the world's smartest people, all top philosophers and not stupid people, for many thousands of years before the age of the enlightenment. It still is.

No one could figure out this thing called wealth creation because, quite frankly, there was very little of it to observe. That's what was so captivating about the <u>Industrial Revolution</u>. All kinds of people were suddenly getting richer, and not by grabbing other people's stuff. Wealth seemed to be actually expanding.

Discovering why was the main task of Adam Smith's *Wealth of Nations*. He patiently <u>observed</u> how expansion of the division of labor, innovation, and trade — all based on secure ownership titles and free association — were working together to make everyone better off.

This was not a zero-sum world. We escaped that fate long ago. You can have food, shoes, and deodorant, and their availability could expand to ever wider reaches of the whole of the human population. This was the single most marvelous discovery that economics made, and why it became an authentic science that brought explanatory power to why the world was changing so fast.

The observation pertains in our time and ever more so. There is less hunger today in the world than ever before even as there is more choice in all human products, and this is for a reason. Freedom to create and cooperate permits ever greater degrees of human flourishing in every sector of life, not all at once but over time.

2. Disdain for Human Choice

Why are there so many types of tennis shoes and deodorants? It is because people are willing to give up their own property in exchange for these products that they are choosing for themselves.

Business cannot force them on anyone. If a deodorant doesn't sell, it loses market share and eventually disappears from the shelves. If it does sell, it stays, and the profits are used to create ever more compelling products that meet people's needs. The average person in this system is <u>sovereign</u>, the ultimate decision maker as regards production priorities and the use of scarce resources.

To disagree with the choices of others is really to exercise a kind of disdain for the choices of the masses of people. Intellectuals, particularly socialists who claim to champion the people's interests, have been doing this for hundreds of years. This attitude of mind is the opposite of populism. It is to replace the value priorities of average people with the value systems of elite intellectuals.

3. The Central Planning Fallacy

People who talk like Sanders imagine themselves in the position of dictators, deciding what social priorities ought to be. Think of the implications of <u>dreaming</u> such ideas as shuffling resources from one sector to sector.

What if they got their way? They would have to override billions of decentralized decisions. They would have to reject the judgements of millions of balance sheets. They would have to use massive force to prevent people from inventing, making bargains, striking deals, and

buying and selling. It really does mean the end of freedom, all stemming from a seemingly well intentioned goal of achieving some abstract idea of what they consider fairness.

What's more, it does not work. The realization of economic rationality <u>requires</u> private property, the freedom to trade, market-based pricing systems to build accounting tables to discern profit and loss, and the freedom to try.

To replace this decentralized system with a single will acting upon the whole system disables all the mechanisms that cause economies to work in the first place. Yes, you could end deodorant and shoe choice but this will do nothing to decrease hunger.

It is for this reason that socialist central planning has brought reduced standards of living, poverty, and economic stagnation and chaos everywhere it has been tried. Growing economies are built by billions of actors behaving according to their own interests, coordinated through institutions that no one in particular created.

Realizing this requires humility, a trait that is in short supply among would-be dictators, politicians, and bureaucrats, which is precisely why these groups are the proven enemies of prosperity in all times and places.

Sanders' comment stem from pious wishes. Sadly, it is just those kinds of wishes that erect, however inadvertently, a social architecture of oppression, poverty, and despair. We've come too far on the road of human progress to be diverted from the path by such proven illusions.

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