

The opportunists

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Heavy snowfall in major cities made headlines all over Turkey last week. When we turned our televisions on, our first sights were heartwarming images of people walking in the snow or playing games, or funny videos of people slipping on the ice, rather than gloomy murder, mugging, or corruption stories. One of the incidents related during the “snow news” drew my attention. In this particular news segment, the traffic police were not allowing any vehicle onto the roads without the driver pulling over and fitting appropriate chains. Several hundred meters before the police checkpoint, three people were standing at the edge of the road and selling snow chains. Regarding their activity as unethical, the reporter labeled them “opportunists” because they were selling the chains at prices that were much higher than customary.

However, these three were nothing but entrepreneurs exploiting the opportunities created by the snow. What is entrepreneurship, but exploiting profit opportunities available in a market? The need for shelter creates profit opportunities for cement manufacturers, brick manufacturers, and their dealers. Alarm manufacturers and insurance companies enjoy profit opportunities triggered by increasing cases of theft and robbery. Snowfall also creates profit opportunities for entrepreneurs, such as the hotel owners who operate ski resorts. Technically, there is no difference between an entrepreneur who is operating a hotel in a ski resort and entrepreneurs who are selling snow chains on the edge of a road. Both are exploiting the opportunities created by the snow.

Despite the negative connotations present in daily usage, being an opportunistic entrepreneur is not evil. Entrepreneurs, who are exploiting opportunities, benefit consumers as well. Of course, their intention is not to help customers. But, in a market economy it is not possible to make a profit without providing something favorable to customers. For instance, bakers do not wake up early in the morning so their customers can enjoy warm bread with breakfast (even if, in fact, they enjoy making the bread); they wake up to make money. In this case, it is in the best interest of the baker to behave in an altruistic manner, even if the baker (or other entrepreneur) is selfish. What we should worry about is not the existence of opportunistic entrepreneurs, but lack of them. In a country where so-called “opportunists” are hampered, imprudent drivers are more likely to have an accident, get stranded on the road, or pay traffic fines when it snows.

Those who are convinced about the merits of opportunistic behavior may still find high prices charged by “opportunistic snow chain sellers” unfair. I recommend that they stand an hour outside on a day where it’s below freezing or snowing. Nothing can be more natural than adding a “snow premium” to the cost of the product they are selling. Of course, buyers do not have to pay this premium. More cautious drivers may go to a car service and buy a chain before the journey at regular price. However, if you say to yourself, I can’t be bothered to do this, then you will have to pay extra for the same level of comfort.

There is widespread confusion of capitalistic concepts and values in Turkey. Although we are living in a capitalist economy, entrepreneurs per se, who are indispensable parts of a capitalistic economy, are treated like thieves rather than like individuals who are benefiting consumers while they are making money. On the other hand, rent-seeking capitalists—those who benefit politician(s) and generally hurt the politically and corporately unconnected while

they are making money- are well respected. Economic development in a capitalistic economy is only possible with a change in framework whereby “opportunistic” capitalists are admired and rent-seeking capitalists are condemned.