

[On the paradox of choice](#) [1]

Written by [Anton Howes](#) [2] | Saturday 12 March 2011



The idea that there is "too much choice" and that this makes us unhappy appears to be entering modern conventional wisdom. It certainly rings true: after all, if presented with hundreds of pension plans, I'm probably more likely to put off the decision and not get one at all. The most persuasive case seems to have been made by [Barry Schwarz in this TED talk from six years ago](#) [3].

He may be right. Too much choice could well make us very unhappy. The problem is that the assumption by many seems to be that we should get government to limit our choices. However, by entrusting this sort of decision to government, we're allowing someone else to decide what's in our best interests without much of a say in how those interests are defined. Even if we agree with that view of what's good, chances are somebody else doesn't, but will still have that choice forced upon them. Leaving it up to faceless bureaucrats or politicians could even mean leaving us with no choice at all.

Schwarz uses the caricature of someone asking "is there a phone that doesn't do too much" in a shop and being answered "no". However, in a market system, this sort of problem is seen as an opportunity. If we really do want less choice, the entrepreneur has every incentive to meet this new and evolving demand. In fact, unlike a government-suppressed system of one-cap-on-choices-fits-all, niche markets and products can be created to cater to everyone's individual preference for decision reduction.

Using his other examples, when given the difficult choices of healthcare plans or jeans, why can't we employ healthcare consultants or style gurus to choose the best ones on our behalf? We can even choose which experts we want to place our trust in. In fact, the uncertainty creates whole new markets and industries for expert choice-makers like healthcare plan consultants, style gurus, maybe even lifestyle coaches. The possibilities are endless and unpredictable. Ironically, given the origin of his complaint, it seems that Schwarz has forgotten how the market innovates to meet demands.

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