

Meritocracy a Myth?

March 3, 2021

COVID and the pandemic panic have not been kind to small businesses, but some entrepreneurs have skyrocketed their wealth. Months ago, CNBC's Gary Cohn waxed enthusiastic for "the banner year for newly minted American billionaires," citing among reasons to celebrate "the possibility that it can happen to other people. . . ."

Reporting on three new billionaires from Doordash and "the winner of the week, Brian Chesky, AirBNB CEO," CNBC's Robert Frank said the recent uptick was "really inspirational no matter what your point of view."

Wrong, says Kyle Kulinski, a thoroughly unimpressed progressive podcaster, dissing the segment as "everything that's terrible about CNBC in one clip."

Now, I can imagine worrying about the context of celebrating a few folks' success while so many others have been hit hard by bad policy and a virus,

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all the while big business (especially banks) have been subsidized with "stimulus." But, Mr. Kulinski explains, "the main problem" is that CNBC's encomiasts "clearly believe in the myth of meritocracy."

Kulinski then yammers on about hard-working folks



who got nowhere in life working three jobs. "The idea that the reason why these people are getting wealthy is because they've just worked harder than anybody else — that's *provably* not true."

And then proceeds *not* to prove it.

Kulinski errs in focusing on "working hard" in sheer physical and time-suck terms. But to the extent we have a meritorious meritocracy, the *merit* rests on what CNBC's Cohn called "work hard *and* have a great idea." Emphasize the "and" — remembering that "great ideas" are those that extend value to others via trade.

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Kulinski should have noticed the big truth about these gig economy billionaires: they have allowed normal people to take their investments in household production — their homes and their cars — and turn them into capital goods for services on the open market.

They created *new* markets . . . wherein *all* participants gain.

That is progress.

But not, apparently, "progressive."

This is Common Sense. I'm Paul Jacob.