

Moneyball by Michael Lewis seems like a baseball book. However, it is really a book about how economics was used to make good business decisions. In the book, the general manager of the Oakland As baseball team had a tough challenge. Namely, his team could spend only a fraction of the money on salaries that teams like the Yankees and Dodgers spent. However, the As were able to field a very good team year after year, simply because the general manager knew a basic principle of economics. The principle is that if you want what everyone else wants, it will be expensive; but, if you want what others do not desire, you can get it cheap.

In baseball, every team wants home run hitters because they help teams score runs and win games. Since everyone involved in baseball knows this, home run hitters are expensive. Teams bid against each other to obtain these players, driving up these salaries. The As did not have enough money to pursue homerun hitters, so they did some research and discovered that walks help produce runs. When a batter walks, a base runner goes to first base and a team becomes more likely to score runs in that inning. In addition, by obtaining a base on balls, the batter forces the pitcher to use up perhaps 7 pitches in an at bat. Since starting pitchers only pitch about 110 pitches a game, when a batter gets a walk against a starting pitcher, he is contributing to the starting pitcher's early departure from the game, leaving the opposing team with no option but to bring in an inferior pitcher, who is likely give up several runs. Since the As were the only team that believed getting walks was important, the team could obtain players who excelled at getting walks at a very low salary, mostly because the As did not have to bid against other teams to get these players – no one else wanted them.

I find this insight has wide-ranging applications, including giving insight into the smartest way to travel. For example, if you want to go to Florence, Italy and see Michelangelo's David at 11 AM, your trip will be expensive – not in terms of a monetary expense, but in terms of how long you will wait in line. Everyone knows David is a great piece of artwork and most travelers want to sleep in and get a late start. By seeing David at 11 AM, you will be joining many people with the same wish, and end up spending 2 ½ hours in line. However, you can avoid this 2 ½ hour cost if you have preferences that differ from everyone else. If you want to see David at 8:30 AM, you will not have the same preferences as the college students in Florence who do not like to get going that early. At 8:30 AM, you might only have a 15 minute wait.

You can also avoid spending time in long lines if you want to see sites that other people are not as interested in seeing. When I go to Florence, I really enjoy seeing the Bargello (the statue museum) and San Maria Novella (a church with spectacular art). When I go to these two sites, I never have to wait in line. Because the typical tourist does not see these sights, these tourists are not in line in front of me. Therefore, I can see great art at a very low cost, measured in waiting time.

If you have preferences that are different than those of most other people, you can travel and see what you want to see without spending much time waiting in lines.

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