

# What Exercise and Economics Have in Common

With a background in both studying economics and working in the fitness industry, I can see how the two fields complement each other and together provide a valuable learning opportunity. I've found that the lessons I taught my fitness clients in the gym about the well-being of their bodies are similar to the lessons that governments, and the public, need to learn about the well-being of the "body politic," particularly when it comes to the economy.

The lesson that I would teach people in the gym was that they needed to keep in mind the *indirect* consequences of their choices, not just the *direct* consequences. For example during a workout there is discomfort while performing the exercise; this pain is the *direct* consequence. By pushing through this temporary discomfort you begin to reap the *indirect* benefits such as improved health, better fitness and a more attractive looking physique. Another, less distant, positive consequence is the post-workout high and good feeling of having accomplished the exercise tasks.

On the other hand, eating junk food feels good in the moment. It tastes nice and usually triggers the release of feel-good hormones. However, we can't see the slow damage it is doing to our bodies and health over time when you eat bad food daily, until one day you look in the mirror and see the gut hanging out, or even worse, you get a scary diagnosis from your doctor.

The gut and the health problems are the indirect costs of the daily choice to eat bad food. You may not be too bothered about having a gut. You may weigh up the pros and cons and decide it is the right choice for you. But there are further considerations which have still gone unseen when making this

decision.

What are the implications for those around you? What if you are in a relationship, or have children, or are a caretaker for an elderly relative? Your choice has an impact on their lives too. You put yourself at risk and them at risk of losing you.

The same principles apply to the health of a society.

In an economy, indulgent behavior leads to similarly unhealthy results. Stimulus checks make you feel good the moment they are received, but (as we've seen) this leads to unemployment and higher taxes down the road. Monetary expansion feels good for those who get the money first, but this leads to later suffering with inflation and economic bubbles popping.

As the 19th-century economist and writer Frederic Bastiat wrote in [\*That Which is Seen, and That Which is Not Seen\*](#):

“...it is the same in the science of health, arts, and in that of morals. It often happens, that the sweeter the first fruit of a habit is, the more bitter are the consequences. Take, for example, debauchery, idleness, and prodigality. When, therefore, a man absorbed in the effect which is seen has not yet learned to discern those which are not seen, he gives way to fatal habits, not only by inclination, but by calculation.”

And as the 20th-century economist and writer Henry Hazlitt [\*wrote\*](#) in *Economics in One Lesson*:

“The bad economist sees only the direct consequences of a proposed course; the good economist looks also at the longer and indirect consequences. (...)”

The precaution of looking for all the consequences of a given policy to everyone may seem elementary. Doesn't everybody know, in his personal life, that there are all

sorts of indulgences, delightful at the moment but disastrous in the end? Doesn't every little boy know that if he eats enough candy he will get sick? Doesn't the fellow who gets drunk know that he will wake up next morning with a ghastly stomach and a horrible head? Doesn't the dipsomaniac know that he is ruining his liver and shortening his life? Doesn't the Don Juan know that he is letting himself in for every sort of risk, from blackmail to disease? Finally, to bring it to the economic, though still personal realm, do not the idler and the spendthrift know, even in the midst of their glorious fling, that they are heading for a future of debt and poverty?"

When considering our own health it is wise to weigh the seen and the unseen, the direct and the indirect. Your physical and mental well-being is paramount to your ability to do anything else with your life.

The same must be considered when looking at the health of the economy of a nation. We (or at least our children) will live to regret "junk food" economic policies that feel good at first, but sow the seeds of future suffering.

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