**Reflection Essay**

In the article, the author, John Komlos talks about the natural limitations of free markets. He criticizes the elementary economics taught in text book as half truths and mentions the 15 curses that markets must deal in order to provide precise knowledge of economics to students.

While criticizing the text books, the author states that most introductory text books hype a free-market utopia which is not apt for understanding the essentials of real standing economy. They are in fact abstract and assume that markets are efficient and thereby automatically leading to a good life. The textbooks assume that consumers are not influenced by advertising or other people’s consumptions. They also fail to consider the uncertainty of human perception, mistakes and plausibility. I agree to the authors point of view. While students are being taught Econ 101, half truth might lead to them misinterpreting some intricate concepts. Such assumptions might hinder their learning ability in the advance level courses. For those students who choose not to continue studying advance level economic subjects might never be exposed to the more nuanced version of the discipline and therefore indoctrinated to believe in the efficiency of unregulated markets for rest of their lives.

In the article, the author, John Komlos consistently criticizes the elementary textbooks about not considering the uncertainty of free markets. He talks about the 15 inconvenient truths about markets, which calls as “curses” to explain the intrinsic problems associated with the working of real free markets. According to the author, these curses prevent free markets from working the way they are imagined in pure theory. The 8 out of 15 curses mentioned below, talk about some of the concepts which the introductory textbooks don’t consider and thereby provide a false impression to millions of students.

1. **Incomplete or asymmetric information**: to my understanding, this curse talks about inaccessibility of complete information due to challenges such as affordability and unavailability. The lack of information restricts the course of action for individuals and therefore leads to considerable inefficiencies. For instance, a situation where one party to an exchange knows more about the good, service or contract than the other, and it would not be in his/her interest to disclose it.
2. **Opportunistic behavior**: to my understanding, this curse talks about the liberty that free market brings to people for immoral, unprincipled, cunning and deceptive activities. For instance, use of adulterated food by companies to increase in their profitability might lead to fatal health issues for the consumers.
3. **Rationality assumption**: This curse talks about deliberate reasoning in order to achieve optimal ends logically, in an objective manner, without emotion, reflex, intuition, or instinct. For instance, Microsoft had predicted a lawsuit for hand injuries do to uncomfortable mouse. Instead of solving this issue, the company invested in legal insurance. In this example, the company did not consider human emotions and took actions rationally.
4. **Cognitive endowment**: The textbooks tacitly assume that the people who participate in the marketplace are equally capable of solving complex economic problems posed by today's global system. I believe that this is an important problem that is often neglected in textbooks. Since the IQ of the adult population is not evenly distributed, the possibility of opportunistic behavior is significant. A classic example of this is insurance company hire smartest employees to entrap people with low IQ in nonbeneficial schemes.
5. **Children**: Children are entirely disregarded in the world of economics. Those are the years when important aspect of value formation and conditioning takes place. Therefore, factors such as television and radio influence children’s inner thoughts.
6. **Time inconsistency:** The curse talks about our current actions having consequences in the far future. For example, cutting cost on fuel consumption might be beneficial for the current economy, but might have lethal consequence in the future such as air pollution.
7. **Society:** Economist completely disregard the disciplines of sociology and psychology. The society has constant impact on our perception. We learn from other people’s actions how we should act, what we important in our lives and what will gain us power and esteem in the social order. Therefore, society brings group dynamics and peer pressure into the picture which economist fail to consider.
8. **Power imbalance:** This curse talks about the political imbalance favoring the wealthy and the impact it has on the basic ideals of democracy. Democracy can turn into an oligarchy if economic power is concentrated in the hands of the few.

Besides the above 8 curses, the author mentions other 7 curses namely, Uncertainty, Financial markets, Transaction costs, Time and space, Non existent markets, Limits and standards, and safety.

In conclusion, many economists believe that it is necessary to consider the 15 curses in explaining concepts in introductory courses such as Econ 101. By doing so, students will have more exposure to the nuances of economy.