
The Future of Meaningful Work

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Abstract: This paper explores the ways in which capitalism both enables and frustrates individualism and the pursuit of self-realization. I discuss the tensions between personal authenticity and the pursuit of well-paying jobs, and the claim that the best way of dealing with the increased uncertainty caused by economic disruption is the more wide-spread adoption and teaching of Sarasvathy's entrepreneurial mindset.

A million-year prejudice stares back at him. ... He sees the conflict within them: tradition against progress, the known past against the unknown future.

—Adrian Tchaikovsky, *Children of Time*, p. 318.

INTRODUCTION

In *The Communist Manifesto* Marx and Engels (1848) argued that one of the great achievements of capitalism was to bring self-interested motivations out in the open. The capitalist merchant doesn't pretend to provide you with goods and services out of altruism, and the capitalist employer doesn't pretend to hire you out of the goodness of their heart. As the famous Adam Smith quote goes:

It is not from the benevolence of the butcher, the brewer, or the baker, that we expect our dinner, but from their regard to their own interest. We address ourselves, not to their humanity but to their self-love, and never talk to them of our own necessities but of their advantages. Nobody but a beggar chooses to depend chiefly upon the benevolence of his fellow-citizens (*Wealth of Nations*, Book I, Chapter 2).

Marx and Engels argued that, as merchants became more prominent in social life, the hypocrisy of kings and aristocrats, pretending to rule over us out of benevolence and sacred duty, had become increasingly transparent, as everyone had become increasingly more accustomed to the logic highlighted by Adam Smith.

In his critique of capitalism, sociologist Daniel Bell (1976), expands the picture painted by Marx and Engels, arguing that not only self-interest, but the focus on utilitarian rationality and calculation, initially developed for the profit maximization calculus of capitalist firms, has slipped into the broader culture. This, Bell argues, has had two distinct effects, one on politics and another on people's understanding of their own personal lives. In the political realm, it has given rise to a new form of legitimization for the

social order in terms of consent and welfare, leading to a move toward democracy. But, on a more personal level, it has led to

a distinctive culture and character structure. In culture, this was the idea of self-realization, the release of the individual from traditional restraints and ascriptive ties (family and birth) so that he could “make” of himself what he willed. In character structure, this was the norm of self-control and delayed gratification, of purposeful behavior in the pursuit of well-defined goals. It is the interrelationship of this economic system, culture, and character structure which comprised bourgeois civilization (Bell 1976, p. xvi).

The idea that you are responsible for who you are is, indeed, quite new. We’ve never built societies on individuality until very recently. All societies before us have been based on norms of adequacy, communal unity and respect for authority, combined with highly repressive institutions for assigning people specific social-economic roles. Sons would generally follow in their fathers’ footsteps, and daughters would be bartered away for their father’s gain. There would be little choice of personal identity.

Historian Jacques Le Goff, a leading expert on Medieval Europe, described how people used to think about what keeps society together, and about the origin of all different social roles, in the following way:

The duty of medieval man was to remain where God had put him. To rise above your status was a sign of arrogance, to fall below it was a shameful sin. People had to respect the social order wanted by God, in accordance to the principle of hierarchy. Built on the model of celestial society, human society had to reproduce in every detail the hierarchy of angels and archangels described in the works of 4th century Eastern monk Pseudo-Dionysius the Areopagite, and later translated into Latin (my translation from the introduction to Le Goff 1987).

By contrast, life under capitalism (i.e. in a society organized by commercial ties and competition, and experiencing continual disruption, rather than built on autarky and stable power hierarchies), brings *both* a lot more wealth and material opportunities, *and* more serious responsibilities. Only a few hundred years ago, your place in life would’ve been established at birth, and you wouldn’t have probably even thought of contesting it. Today, you can become so many things, but you are the one responsible for this most serious choice.

The demise of the old religious rationalization of social and political order also means that we, as a collective, have a greater choice and responsibility regarding the society we’re building, and each of us, as individuals, have a greater choice and responsibility about the particular persons we decide to become. As Buchanan and Tullock wrote in the *Calculus of Consent*:

Constitutional democracy in its modern sense was born as a twin of the market economy. With the philosophers of the Enlightenment we share the faith that man can rationally organize his own society, that existing organization can always be perfected, and that nothing in the social order should remain exempt from rational, critical, and intelligent discussion. Man’s reason is the slave to his passions, and recognizing this about himself, man can organize his own association with his fellows in such a manner that the mutual benefits from social interdependence can be effectively maximized (Buchanan and Tullock 1962, p. 304).

The drive to personal betterment has always resided within human nature, but it has never before been allowed to take hold over our institutions and cultures. At the individual level, someone’s quest for personal meaning is tied to their success in fulfilling what they perceive to be their potential, and to the best ways of expanding this potential. Perceived stagnation leads to ennui even if they’re stagnating in a very comfortable position.

The internal legitimacy of capitalism comes from its promise of being a great enabler of growth, both personal and economic. As such, the key *internal* questions are: (1) How can as many people as possible *learn* how to take advantage of the opportunities the system creates? and (2) How can we *adjust policy* to enable as many people as possible to take advantage of such opportunities? I see question (1) as important, if not more important, than question (2), while most people writing about capitalism focus almost exclusively on various policy questions. I want to focus here more on the neglected question. Related to question (1), and a possible internal critique of capitalism is the following: (3) To what extent capitalism actually delivers on its promise for economic and personal growth, not just for a few, but for all? As such, the successes and failures of capitalism are concerned with fulfilling its most radical liberational promises, i.e. whether it successfully provides all individuals the means and opportunities of becoming the best they can possibly be according to their own wishes, and with whether alternative systems, or varieties of “tamed” capitalisms, could satisfy those promises better.

Similar to how Vernon L. Smith and Bart J. Wilson (2019) argue that economics needs a more expansive concept of the economic agent, in order to more fully account for moral behavior, I argue here that to fully understand people’s attitudes to capitalism and the market society, we need a broader concept of agency that includes the vision people have about their own personal identity. This is important for understanding the trade-offs between authenticity and money making. Wilson (2024) argues that we have strong empirical evidence of the inadequacy of the strict utility maximization model, and I argue here that Saras Sarasvathy’s account of entrepreneurship provides a fairly well elaborated alternative (Sarasvathy 2001, 2008; Sarasvathy and Venkataraman 2011; Sarasvathy and Dew 2013; Read et al. 2016; Dutta and Packard 2024). This alternative provides a better understanding of how people deal with uncertainty, and how they switch between a search for better means for achieving their goals and a search for new goals given the resources and social connections at their disposal. The most controversial aspect of Sarasvathy’s work is the claim that people can be taught to think more like entrepreneurs. I don’t try to evaluate this claim here, but, instead, I argue that *if* she is correct about this, such teaching could be very useful for helping people discover the best paths for meaningful work, i.e. the best way of thinking about the trade-off between authenticity and money-making.

PERSONAL AUTHENTICITY IN A MARKET ECONOMY

Capitalism is built on answering our drive of becoming more than we currently are, the call to become the best we can possibly be. It provides opportunities for growth more than any other previous system. But the market system also creates pressures upon each of us as if it has a *very specific idea* about what the “best you” is supposed to be. This is, of course, anthropomorphizing the system to a, perhaps, unwarranted degree. Think of it as a metaphor of the internal pressures toward efficiency. The system as a whole tends toward efficiency (Stigler 1992; Leeson 2020), which means that it creates specific pressures on each individual and organization within the system, as if the system has a mind and desires of its own about who each of us should become. As far as the market system is concerned, “best you” means the most productive you. “Be the best you can possibly be,” capitalism whispers to you, nudging you, and literally paying you hard cash to become the most productive possible version of yourself.

What the market system does is match what makes *society* richer and more efficient with a *personal* promise. If you choose the path that makes you more productive, you will be paid more. That’s the promise. A promise that some might see more as a temptation.

As philosopher William Irwin (2015, p. 65) put it, “Capitalism does indeed make the temptation ever-present to try to find satisfaction and fulfillment in money and things that money can buy, distracting people from potentially more fulfilling, satisfying lives.” However, he adds that “Capitalism may have alienating tendencies, but they can be minimized and overcome” (p. 66). Is this actually the case, and if so, how? I argue that modern capitalism and modern technology makes self-actualization, *in principle*, easier

than ever, but, at the same time, capitalism also seems to promote a particular type of culture that goes *against* personal self-fulfillment.

This is also the source of capitalism's great power—the source of its ability to outcompete other economic systems, as well as its capacity to undermine all traditional social and political systems from within. These traditional systems require us to stay in our place. That's why they fail to reach for the stars. They are attractive only to the least ambitious and most scared. I don't say this as an insult. Most of us are not particularly ambitious or courageous. But, under our current market system, our fears are not allowed to rule or to seriously constrain the ambitious and the courageous. This is why all of us have to periodically deal with the “creative destruction” spawned upon us. This tension is always with us in the policy arena, with those scared of the unknown always asking for more precautions (Thierer 2016).

Should we be more precautions? Why aren't our fears allowed to rule? The reason is that every time that happens in a society, that society loses ground to others, and is eventually forced to mend its ways. When many people become as productive as they can be, the output of society as a whole dwarfs what other systems can generate. The system that does this the best will simply outcompete the others. However, this does *not* necessarily mean that the most productive system will also be the one with the happiest inhabitants.

The drive to ever-increasing productivity also has an important *moral side-effect*. What capitalism wants from each of us is to become the best servants of our fellow human beings—that's where the money is coming from, from other people willingly paying us to give them what *they* want or need. What's the best you can possibly do? You are earning most money when you are developing your comparative advantage, as economists say. Although it's better to put it the other way around: your comparative advantage is the set of skills you can develop to earn the most money.

This lays out before each of us a fairly specific path for personal development, which may or may not be entirely consistent with what we would *like*. Don't be selfish, learn how to be of use to others. According to the logic of the market system, your life has meaning and value if you see yourself as a means to an end—to *other peoples'* ends. Immanuel Kant was wrong. You should not see yourself (or your fellow human beings) as ends in themselves. We are all means to each others' ends. Is that really so?

The better you are at serving others, or creating things and organizations that deliver what others want, the more money the market system will send back to you. “The consumer is always right”, and it wants you to be in a certain way. The system makes claims not just about what you should do, but also about the person you should become. And you may or may not like what it asks of you.

The greatest temptation that capitalism brings before us, a key difference from the more traditional cultures, is the permission to be whoever we want. But we will be judged for our choices. Not judged in any moral or religious terms, but in the simplest financial terms. You will be rich or poor. To many that is the worst kind of judgment. You may become whatever beautiful creature you want, but others may well choose to not pay to employ you.

Who are you? You could become so many different people. *Choose the one that will make most money*, capitalism whispers in your ear. The rejection of this temptation, the refusal to define yourself as that person that could make the most money, is part of what generates the anti-capitalist resentment. You think you know who you “truly” are, and, as it often happens, the system doesn't value that person as much as you do. The only thing left is to rage against the machine.

But if you feel this way, the self-actualization culture described by Daniel Bell, which he saw as a *consequence* of capitalism, has already captured you. What you have is just another version of individualism, only more rudderless and subjective. Postmodern individualism. It's individualism without optimization, without the cult of productivity and efficiency, and, importantly, without the orientation toward others. Maybe it's a better version of individualism, as it is even more radically subjectivist, but it relies on a somewhat dubious assumption—it assumes you already know who you “truly are”, and you already know what “the best person you can be” looks like. But don't lie to yourself: you don't actually know this. This is where at least part of the anxiety comes from—you are afraid you will aim higher than you can actually achieve,

and you'll be shown to be less than you've hoped. One way out of this anxiety is to deny the system the capacity to evaluate you. But that also means you might set your bar too low. Perhaps the market is pushing you to become a lot more than your current feelings can even begin to guess. Many of us are actually too timid and modest about what we can actually achieve. The market may believe in you more than you believe in yourself because the market knows more than you do. Or conversely, the market may try to discourage you from taking a particular path because it knows more than you.

Economist Friedrich Hayek has argued that “competition is a discovery procedure” (Hayek 2014, ch. 12), rather than merely an allocative process based on already-existing information. My suspicion is that this idea might apply even to the discovery of our own identities. The search within the labor market (for that particular economic role that enables you to become as productive as you can be) might be better equipped to help you discover “who you truly are” than your under-informed and unreliable introspection. The market aggregates more knowledge than your introspection.

Capitalism is a system that tries to shape you to become the person that best serves the desires of others. This is perceived by many as corrupting and inauthentic. You should be who you “really are”, not what others want you to be. You should have the moral integrity of not apologizing for who you are. You shouldn't “sell out”. But you don't necessarily have to.

As James Buchanan put it, “the free market offers maximal scope for private, personal eccentricity, for individual freedom in its most elementary meaning” (Buchanan 1975, p. 24). This radical tolerance that sits at the core of the system cannot be denied. Unless they are regulated and prevented from doing so, markets will deliver whatever *some* people are willing to pay for. Markets create a space for “personal eccentricity” because many things can be profitable even if they satisfy only the wishes of very small minorities. Markets don't cater to the median voter, they cater to anyone who can pay. Not everyone, of course, thinks this is a good idea. For example, distributist Catholic author Hilaire Belloc describes this as “the dreadful moral anarchy against which all moral effort is [should be] now turned” (Belloc 1912, p. 52).

This being said, the greatest wealth in the market system is obtained not by those catering to small scale eccentricities, but to those who satisfy mass consumption. Capitalism enables you to stay eccentric, if you so choose. In other economic systems, eccentricity has no possibility of survival. But even capitalism doesn't reward eccentricity all that well. It enables it, but it doesn't encourage it. And, on the margin, all of us might prefer to be slightly more eccentric than we currently are, and, as such, we feel we are in a constant fight against the system.

The flip side of this is: Do you have the moral and personal resilience to plow through with your so-called authentic life even when others don't appreciate and value it as highly as you do? Ayn Rand's hero in the *Fountainhead*, an architect called Howard Roark, is unwilling to compromise even if this leads him to complete ruin and destruction. Like most Rand's characters, Howard Roark is a super-hero. How many of us have the personal strength to never compromise?

MEANINGFUL WORK

The question of happiness and what makes people feel they have meaningful lives has a very long history in philosophy, religion, and psychology (Haidt 2005). I'm going to simplify things a little and say that happiness and meaning are the result of a combination of two things: (a) feeling useful to others and (b) having a sense of personal growth. In other words, we have (a) a source of external validity—usefulness to others—, and (b) a source of internal validity—a sense of authenticity and personal growth. A failure on either of these two dimensions (or on both) leads to some form of dissatisfaction with life (fig. 1).

Such personal unhappiness can also lead to unfavorable attitudes toward capitalism because in a capitalist system usefulness to others is approximately measured by your income. If your work and skills do not help you earn a lot of money, it is partially because few are willing to pay for the products or services that your skills can produce (while also being partially due to luck).

Keeping true to oneself and pursuing personal growth in a direction that feels authentic, while, nonetheless, experiencing the sense that few find value in what you are producing (or maybe even no one), leads to misanthropy. You are not the problem, it's everyone else. This is a fairly common attitude among artistic types who do various weird things, that they think are highly valuable and profound (and some of them maybe are!), and are upset when society at large fails to appreciate (and financially support) them. Similarly, scientists will sometimes get upset if you suggest that spending billions on a new particle accelerator might not be the best priority for public funds. Academics in general often tend to fall in the misanthropy quadrant, as the highly self-directed nature of their research promotes authenticity but lessens the necessity to serve broader societal needs, since their employment is not typically contingent on direct usefulness to society. Teaching is the main aspect of their work that *can* move them to the meaningful work quadrant (as helping students brings a direct sense of usefulness), but many academics actually hate teaching.

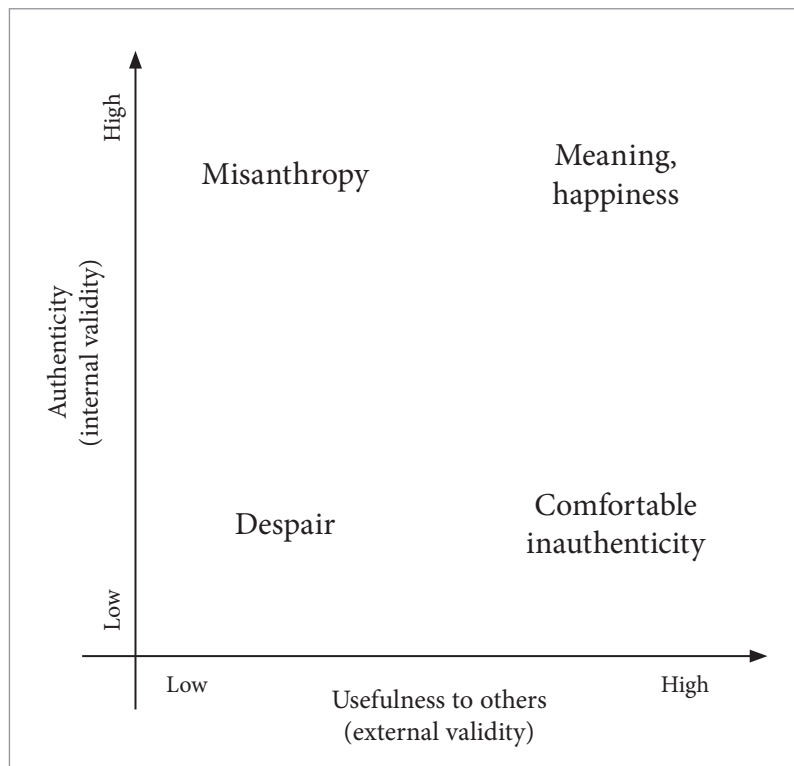


Figure 1: Happiness and meaning

This type of misanthropy, perhaps in milder forms, is far from being restricted to artists and scientists. It is fairly common for people to have a sense of entitlement that is at odds with what they manage to actually earn in the market. Feeling that you deserve better and that you should be able to get more without sacrificing who you are. Feeling that the only way to get ahead in this world is by some sort of uncomfortable compromise of either your values or beliefs. These are fairly common feelings.

The comparative systems question is which other social, economic and political arrangement (perhaps some modified form of capitalism?) would do better than the form of capitalism we currently have? Some misanthropes are clearly deluded and narcissistic, but maybe not all. Maybe there is indeed significant social value that our current system fails to appreciate. In the same way that our current financial institutions have gaps in their capacity to discover and fund certain types of ideas, i.e. our current system of

capital allocation is far from perfect, it may also be the case that the version of capitalism we currently have could also be improved in its ability to *allocate labor*.

Which institutional system is best at enabling people to maximize both their internal and external validation? Capitalism does have a significant appeal in this regard over more centralized systems (like socialism, in the extreme) or over more collectivist systems (like traditional societies in which the social pressure to conform is intense). In order to succeed in a capitalist system you don't need generalized approval. You only need a few paying customers. You can make a living even if the vast majority of people are indifferent (or even actively hostile) to what you're offering. As pointed out by Kevin Kelley, to make a decent living in United States, you only need 1,000 "true fans" willing to pay you \$100 dollars per year.

The internet makes it possible to seek such supporters far wider than before. In other words, it is now possible to be successful with *extremely niche* products. This is the logical, extreme, end of Adam Smith's point about the connection between specialization and trade—the larger the extent of the market, the more specialized one can become. The modern communication, transportation, and financial infrastructure brings the extent of the market in the range of hundreds of millions, if not billions. It is not surprising that the degree of specialization (i.e. successful niche products) this network generates is extreme.

I see two key issues here: the problem of unfulfilled expectations, and the problem of uncertainty.

First, people often want more than merely *making a living*. The issue is whether one's sense of entitlement matches the reality of one's success. Capitalism aggravates this issue. Success in the market system is a power law, meaning that there are a few extremely successful (and rich), and a very long tail of only moderately successful. It is unavoidable that some fraction of those moderately successful will be envious of the far more visible people at the top, and that a fraction of the barely successful will be envious of those comfortably successful. How many thousands of mediocre economists think that "Acemoglu is really not that good", or maybe even that they are better economists than him? How many thousands of mediocre guitarists think that "Slash is overrated", or maybe even that they are better than him? How many fancy restaurants think they have better food than McDonald's or Taco Bell? I venture to say that this kind of situation occurs in every field, and it is part of the reason why we insist on the distinction between "true value" (as evaluated by expert opinion, often based on various arbitrary criteria) and financial success (i.e. popular opinion).

This power law aspect of success in the market system is tied to the mass-production nature of capitalism: capitalism *both* enables extreme niche products to succeed, *and* showers the greatest rewards on the products and services with the largest mass appeal. As far as prior probabilities go, any creator in the capitalist economy will end up with some niche product (if successful at all), but maybe they were hoping for mass appeal. Perhaps they were confused by the heroic stories of other successful people or businesses. The story of many of the most successful artists and entrepreneurs indeed involve unreasonable degrees of perseverance in the face of external skepticism and failure, but, of course, all these stories are examples of survivorship bias and not recipes for reproducible success.

This, in turn, raises the issue of the opportunity cost of being the creator of niche products. You might be able to lead an authentic life doing what you truly like—producing a niche product enjoyed by only a few, and enjoying relatively small earnings in return—*or* you can give up that dream and become a regular employee in a firm that is more successful at satisfying mass consumption. This moves us from the upper left quadrant in figure 1 (misanthropy) to the bottom right quadrant (inauthenticity). The phenomenon of "bullshit jobs" (Graeber 2018) is related to this—people will do their jobs, but not be particularly enthused by it, and not feel a great deal of meaning for it. Such jobs may pay well (i.e. have value from an outsider's perspective), but, nonetheless, feel useless from an insider's perspective.

This is not necessarily a new problem. One can argue it has been with us from the early days of capitalism and industrialization. For instance, Cowen (2004) notes the following:

Standards of living do rise from industrialization. But I look at many of my rural Mexican friends. They could earn somewhat higher wages in factories, but they prefer to paint ceramics at home. It is more fun and they control their time to a large degree.

In the case of such artisans, they eschew some larger possible material gains in favor of authenticity. This kind of choice is open to everyone, but, ironically, although capitalism is fundamentally individualistic, the social environment of advanced economies often creates a kind of social pressure in favor of whatever *pays* the best, at the expense of what *feels* the best. If so, the phenomenon of “bullshit jobs” is more a feature of this materialistic culture attached to capitalism, rather than a feature of the economic system itself.

Can we really separate the materialistic culture that thrives under capitalism from capitalism itself? I think so because modern globalized capitalism also enables people like Mexican artisans to prosper more than ever (Cowen 2002). This happens because (a) they have access to far more potential customers than before, and (b) global supply chains have lowered the costs of many of their inputs. For instance, Cowen (2002) describes how the availability of cheap, industrially produced yarn has generated an explosion of creative designs in traditional, hand-made textiles. In the past, the artisans spent most of their time hand spinning the yarn, which left them with relatively little time to actually weave. Today, they use industrially produced yarn and spend all their time weaving and creating new designs. Such people may still be able to earn more money by working in a factory, but that is not their choice.

We can find many examples highlighting this tension between the opportunities for the success of niche products and the desire for mass appeal. I would say that the more authentic path is usually taken by entrepreneurs who embrace a particular niche identity, and, as such, do not aim for mass appeal (although they may occasionally achieve it). This keeps them in the meaningful work quadrant in fig. 1, as “usefulness to others” need not mean usefulness to everybody. For instance, the opportunities for independent (non-Hollywood) movie studios are now greater than ever. Angel Studios in Utah, producing Christian movies, and A24 in New York, producing horror movies, are two rather different examples of specialized products that don’t aim for an universal audience, but are, nonetheless, highly financially successful.

I describe below the case of entrepreneur Pieter Levels, who I see as a high-tech version of the Mexican artisans. I think that maybe the future of capitalism involves a partial move toward the artisan mindset, valuing personal authenticity more and diminishing the social pressure to earn the highest possible income. The reason for this prediction/hope has to do with the growing range of uncertainty.

UNCERTAINTY AND THE ENTREPRENEURIAL MINDSET

Let me return to the issue of uncertainty. Many (most?) people are not ready for a world of extreme specialization, because extreme specialization also implies constant churn and disruption.

The mental model of the past is now increasingly broken: (1) train for a particular field, developing a set of specific skills, and (2) use those skills for the rest of your life, typically spending many years hired by the same firm (changing employers only a few times during one’s life and only within the same field of work).

We can think of this as a *managerial mindset*: form a purpose (for your professional life) as a teenager or in your early 20s, and select the best means to achieve it according to the pre-existing experience of others, while assuming minimal disruption and uncertainty along this path from means to goal.

Creative destruction has always been a problem for the managerial mindset. But the much larger extent of the market we have now, with the associated increased specialization, means that disruption is far more common. The maturation of the internet as a tool for facilitating commercial networks, and the development of various automation and AI tools that enable smaller teams to achieve more, further increase the churn and, hence, the uncertainty in the system.

Aiming to consciously optimize your career path, with the ultimate goal of maximizing wealth, is a fool’s errand when uncertainty and churn become the rule. Instead, one needs to prioritize flexibility and

maintain many open options at all time. This also means that creating an identity based on the expectation of a single career or of a too specific future achievement is a dangerous thing. It didn't use to be that way because the world used to be less dynamic. The idea of finding a *vocation* is increasingly irrelevant if not already counterproductive.

The question is how one can build a sense of self and self-worth that spans across many possible occupations and that will not be too affected by various occasional occupational failures. If you succeed at this, you will be freer to aim for what's currently outside your reach, because the potential failure will sting less. Ambition for the sake of the potential cool stuff you can make, and not because you chose an identity that depends on it.

People affected by economic disruption, and who lack a more entrepreneurial mindset, risk moving from the “comfortable inauthenticity” quadrant in figure 1 to the lower left quadrant, which I've labeled “despair”. That's a situation in which one feels both useless to others (as partially evidenced by a diminished income) *and* stagnant in terms of personal development. Left-leaning authors will often connect this kind of issue with inequality and fairness (e.g., Wright 2019), which they see as the key social problem, emphasizing, for example, the randomness involved in the costs and benefits of economic disruption. Even if one disagrees with the point of view that successful entrepreneurs don't fully deserve their gains because of the role that luck plays, one can still agree that those suffering from disruption cannot really be blamed for their misfortune, given the fundamentally unexpected nature of creative destruction. Furthermore, even if one is not particularly concerned with inequality, one can still be concerned with the psychological problem of “despair” (Case and Deaton 2020). And while someone can't be blamed for being a victim of creative destruction in the first place, can they be blamed for staying that way for too long, i.e. for not finding ways out?

The managerial mindset can trap people in the despair quadrant, if the disruption was large enough to affect one's entire field of work significantly and escape necessarily involves changing fields. The managerial mindset implies that the efforts involved in switching fields are larger than they often are, and offers few guidelines for taking advantage of new (and previously unfamiliar) opportunities. Identifying with a particular vocation has the same negative effect.

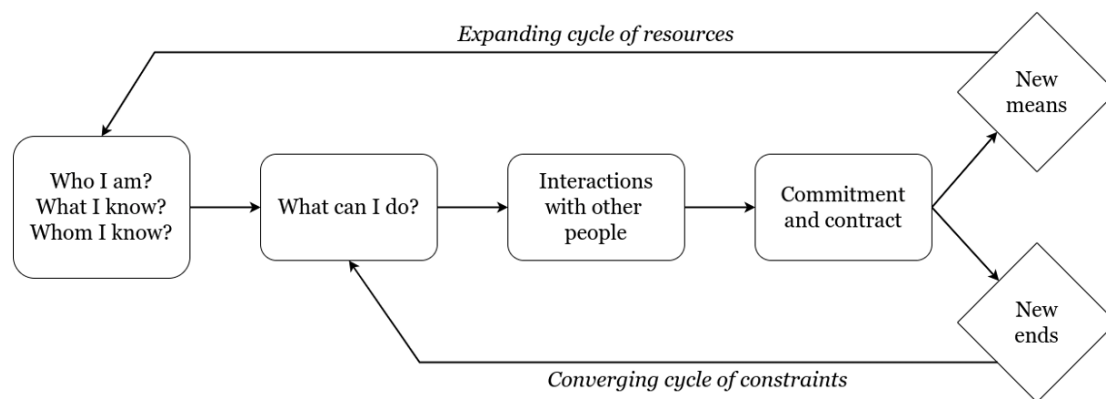


Figure 2: The entrepreneurial mindset (adapted from Sarasvathy and Dew 2013)

Saras Sarasvathy's studies of how real world entrepreneurs think have revealed that they perceive uncertainty as a *resource to be tapped*, because their plans are built to be flexible and open-ended (Sarasvathy 2001, 2008; Sarasvathy and Venkataraman 2011; Sarasvathy and Dew 2013; Read et al. 2016). This entrepreneurial mindset “begins with a given set of means and allows goals to emerge contingently over time from the varied imaginations and diverse aspirations of the founders and the people with whom

they interact” (Sarasvathy 2008). Everyone should be better trained into this way of thinking about the world. Figure 2 describes this way of thinking.

I see Sarasvathy as the anti Daniel Bell. Bell thought that capitalism taught people to replace their reliance on community and social norms with a reliance on individualism and instrumental rationality, where everything is understood as a means to an end. This way of thinking, going backwards from set goals to rationally chosen means, is indeed vulnerable to uncertainty. Sarasvathy refers to it as managerial thinking—as opposed to the entrepreneurial mindset (fig. 2). A manager of an established business indeed has some set goals, and any form of disruption and uncertainty is a problem to be minimized.

The entrepreneur, by contrast, starts from the available means (including their social network) and builds toward a multitude of possible goals. As also explained by Dutta and Packard (2024),

action primarily focuses on what the entrepreneur already has to work with—their identity, networks, knowledge, and the collaborative gathering of any and all means possible—to facilitate more and better possibilities With these means already at hand, the entrepreneur imagines ends that they might pursue

The entrepreneur goes back and forth between expanding the resources available in the pursuit of particular goals, and expanding the range of achievable goals, given the currently resources. These resources, importantly, include not only material resources but also (a) knowledge (technical knowledge, as well as knowledge of the desires, needs and capabilities present in their social environment) and (b) commitments that the entrepreneur is able to obtain from various other people and organizations.

For the entrepreneur uncertainty is a *resource*: Because nothing can be perfectly planned in advance and in all detail, they have to trust that some *good* surprises will happen along the way, helping them achieve at least some of their goals. Uncertainty should thus also be seen as a pool of potential good surprises, and not just as a potential monkey wrench in one’s plans.

While Daniel Bell thought that capitalist rationality was the same as the managerial mindset, Sarasvathy argues that people can be taught to think more like real-world entrepreneurs, and less like managers. If this educational program becomes successful, the biggest internal source of illegitimacy for capitalism would diminish. Capitalism is in fact a great system for enabling the realization of many potential goals. When your plans are disrupted, you should see that as a sign that maybe you should move on to new things, and take advantage of the multitude of opportunities the system always presents in front of you. But this only works if one maintains the entrepreneurial mindset of always keeping a multitude of options open. This goes against the idea of pursuing a single career, a single vocation, one single path in life, and building a personal identity out of that one path.

How can the entrepreneurial mindset be better taught? Dutta and Packard (2024) offer several important suggestions. Because the key aspect here is one’s attitude to uncertainty, the issue is connected to that of trust. Dutta and Packard (2024) discuss several sources of trust, which in turn, can be used by the entrepreneur as their starting point—as their social resources that could enable different pursuits, and which can be used to gradually bring in more stakeholders. They argue that “rather than beginning with the normal process of trust-building instigated through *cognitive-based trust*” (i.e. Bell-style rationality based on mutual interest), “entrepreneurs can kickstart their resource accumulation efforts by bringing those with pre-established *responsibility-, identity-, and especially affect-based trust*” [emphasis added], as ways of building commitments in earlier stages of the converging cycle of constraints described in fig. 2.

An extreme case of the entrepreneurial mindset at work, and of the opportunities available in today’s world, is Pieter Levels (Friedman 2024). He has created dozens of successful startups, as a solo worker, often while traveling around the world. These startups are various apps and websites that offer specialized (usually paid) services, and which he was able to code relatively fast by himself. How is this even possible? Just as the work and creativity of traditional hand weavers has been greatly enhanced by the availability of industrially made yarn, the work of high-tech artisans like Levels is now possible thanks to pre-existing

platforms. For example, financial transactions are easy with services like Stripe or PayPal, hosting services and managing bandwidth are provided by Amazon and others, AI models can be built on Replit, etc. Numerous platforms exist now, which facilitate highly specialized entrepreneurial activities, including in the realm of physical goods. On Amazon alone there are about 2 million independent sellers, generating 60% of the sales on the website, and earning an average of \$250k per year (Clark 2021; Toogood 2024).

Levels estimates that, of all the ideas he has implemented, only about 5% earn him a profit (Friedman 2024). This is why the managerial mindset doesn't work—you cannot predict in advance which idea will be successful. Levels describes his work process like this: (1) find a problem in the world, (2) implement a minimal solution to the problem as a way of discovering whether enough people might be willing to pay for the solution (given the costs of supplying the solution), (3) advertise on social media, (4) consolidate the commercially viable solutions into actually good products to keep early customers, attract new ones, and build reputation. What Levels *doesn't* do, but which most successful entrepreneurs do in addition to the previous steps, is (5) hire people to build a team that can expand the business from its early success, and/or (6) sell the business to a larger company that has more resources to reach even higher levels of mass adoption. In other words, tapping into the expanding cycle of resources in fig. 2.

As far as the discussion about happiness and meaning is concerned, notice how Levels reliably stays in the upper-right quadrant of fig. 1. He is constantly searching for services that people will find useful (and are willing to pay for), while at the same time keeping himself constantly learning new things. He has a baseline knowledge of coding, but his workflow is so radically adaptable that it isn't a liability (e.g. if AI makes knowledge of coding obsolete would only make his life easier). An important question for the future is whether more people can be taught the entrepreneurial mindset, perhaps using examples like Pieter Levels, but also the more traditional steps of expanding a successful startup.

Unlike Levels, most entrepreneurs don't stay solo. In the interview with Friedman (2024), Levels notes that managing people is a different type of skill, which becomes essential if one is expanding the business. As such, he *automates* everything as much as possible, instead of hiring people, which is possible for the type of services he's building, but would not be possible in general. Dutta and Packard (2024), by contrast, focus more on the social aspect of entrepreneurship.

From the point of view of the future of work, especially in the context of rising disruption and long-term uncertainty, the key question is: Can we teach people entrepreneurial mindset? Saras Sarasvathy has argued that this mindset is similar to the scientific method. Most people don't naturally think like scientists, but they can, nonetheless, be taught how to become scientists, and even as non-scientists they are aware of the methods of science. Similarly, it might be possible to teach people to think less in terms of optimizing the means for a set goal, and more in terms of thinking about the variety of goals that can be tried given one's available resources, including one's social network.

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