

Make-up Music Lessons from an Economist's Point of View

By Vicky Barham, Ph. D.

Like many parents, I pay in advance for lessons each term. In my mind, what this means is that I have reserved a regular spot in the busy schedules of my sons' teachers. I understand -- fully - - that if I can't make it to the lesson one week (perhaps my son is sick, or we are away on holiday, or there is some other major event at school) then we will pay for the lesson, but that my teacher is under no obligation to find another spot for me that week, or to refund me for the untaught lesson. And this is the way it should be.

In my "other life" I am an economist and teach at our local university. Students pay good money to attend classes at the university; but if they don't come to my lecture on a Monday morning, then I am not going to turn around and deliver them a private tutorial on Tuesday afternoon. When I go to the store and buy groceries, I may purchase something that doesn't get used. Days or months later, I end up throwing it out. I don't get a refund from the grocery store for the unused merchandise. If I sign my child up for swimming lessons at the local pool, and s/he refuses to return after the first lesson, I can't get my money back. So there are lots of situations in our everyday lives where we regularly pay in advance for goods or some service, and if we end up not using what we have purchased, we have to just "swallow our losses." On the other hand, if I purchase an item of clothing, and get home and change my mind, I can take it back and expect either a refund or a store credit.

So why do I believe that music lessons fall into the first category of "non-returnable merchandise," rather than into the second case of "exchange privileges unlimited" (which I think is one of the advertising slogans of an established women's clothing store!)? Speaking now as an economist, I would claim that the reason is that items like clothing are "durable goods" -- meaning, they can be returned and then resold at the original price -- whereas music lessons are non-durable goods -- meaning, once my Monday slot at 3:30 is gone, my son's teacher can't turn around and sell it again. The only way she would be able to give him a lesson later in the week would be if she were to give up time that she had scheduled for her own private life; and that seems pretty unreasonable. I can't think of many employees who would be thrilled if their bosses were to announce that they couldn't work from 3:30 to 4:30 this afternoon, but would they please stay until 6:30 on Thursday, because there will be work for them then!