



Hobby Lobby, Contraception, And The Primitivism Of Politics

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Hobby Lobby and Conestoga Wood Specialties have won the right to run their businesses free from government-imposed mandates that violate their religious beliefs. As expected, many reactions to the decision have ranged from hyperbolic to irate. For those on the left, the rallying cry has been that a woman's birth control is "not my boss's business," which is true in an ideal world.

But we don't live in an ideal world. We live in a world where ham-fisted and misguided government regulations and self-interested, crony-capitalist politicians have manufactured a problem out of thin air—namely, the controversy over who gets to control decisions about health care coverage, employees or employers. Having manufactured the problem, the government then helped create two opposing factions supposedly fighting on opposite sides of a "war on women." Now we've called on the Supreme Court to help solve our made-up problem in our made-up war. We're bailing water from a sinking ship that the government keeps drilling holes in.

So how did we get here?

First mistake: During World War II, the government imposed wage and price controls in order to counteract inflation. Any economist will tell you this is a bad idea. Nevertheless, the government marched bravely into the abyss thinking, as usual, that the immediate, politically salient problem was more important than the long-term consequences.

Those wage controls then incentivized companies to start providing benefits, such as health insurance, as part of compensation packages. This, of course, is the predictable outcome of putting a limit on how high wages can go. Those employees worth more than the price ceiling would inevitably be compensated in other ways.

Second mistake: After the war, as many people were starting to get insurance through their jobs, the government codified a tax preference for employer-supplied insurance. That small thumb on the scale slowly helped push us into the strange system we're in today. As reported by the CBO, 76% of insurance-eligible employees are enrolled in employer-based programs.

Third mistake: The preference for employer-based insurance was one of many factors that pushed the United States toward an insurance-centered health care system where insurance is seen as synonymous with health care. Insurance is not, of course, synonymous with health care. It is merely a method by which some people pay for some health care.

Real insurance *insures* against an unpredictable future. Just as car insurance shouldn't pay for oil changes, health insurance shouldn't pay for predictable expenses like birth control. Increased government regulations on insurance and the lack of a thriving and competitive market pushed the cost of insurance up and, due in part to the effect of the moral hazard of third-party payers, also pushed the price of medicine up.

As a consequence it became increasingly difficult to get effective, cheap medicine without insurance. The unemployed were also often uninsured, so people began discussing the "crisis" in American health care created by the uninsured.

Having manufactured a world where people get insurance through their jobs and get health care through insurance, those in charge of this virtual reality machine then decided that their surreal experiment was not surreal enough, and they thus doubled-down on the employer-based insurance model with the fourth mistake, the Affordable Care Act.

Fourth mistake: The Affordable Care Act of course fixes none of these problems. Instead it so heavily buys into the erroneous belief that insurance equals health care that it pretends to solve the problem of lack of health care by mandating that people buy insurance. This is like trying to solve hunger by mandating that people buy food insurance rather than producing more and cheaper food. A voucher that says you're guaranteed food is not the same as actual food.

But it gets worse. As a further subterfuge, the crony-capitalist politicians who passed Affordable Care Act avoided telling the American people the true costs of the act by mandating that individuals and employers purchase insurance or face fines. They could have directly taxed people and subsidized the uninsured, as the Hobby Lobby decision means they will now do with contraception for some women, but that would have been too politically costly. Instead, in one of the greatest acts of crony capitalism ever achieved, they placated the insurance companies by ordering every American to purchase their product and ordering most businesses to supply that product.

The characteristics of qualifying insurance plans are now defined by regulations, including covering the 20 types of birth control, four of which Hobby Lobby and Conestoga Wood Specialties objected to on religious grounds. Those contraception methods are also now more expensive due to government regulations.

In other words, the government's intimate involvement the health care system for 70 years has brewed up a boiling cauldron of clashing interests and artificially expensive health care. Hobby Lobby and other religious employers are faced with mandates with which they disagree; citizens are faced with mandates that force them to purchase health

insurance which often violates their rights of conscience (think, for example, of those opposed to Western medicine); and all of America's multifarious people with conflicting values are poured into a government-created health-care Thunderdome and forced to fight for their deeply held beliefs in the courts.

Many people wonder why Hobby Lobby gets an exemption and others with deeply held beliefs don't. They wonder how courts can be called on to make principled distinctions between deeply held beliefs. These are valid questions. But those questions simply help us reverse engineer the principles of a free society that let diverse, civilized people live together cooperatively rather than combatively. Those who ask those questions are reconstructing the core arguments against laws like the Affordable Care Act from the back end.

Seventy years of government intervention in health care have manufactured conflicts out of thin air. Washington, D.C. is increasingly becoming a tribal war of all-against-all because of laws like the Affordable Care Act.

Welcome to the new world. Welcome to the primitivism of politics.

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