## REPUBLIC

Published on The New Republic (http://www.tnr.com)

## The Libertarians Strike Back

Jonathan Chait March 7, 2011 | 3:55 pm

Last week, I mentioned a 2004 Reason article by Ronald Bailey advocating an individual mandate. The author's article responds, calling me "the New Republic's chief left-wing ideologue" -- take that, comrade Judis! -- and argues that his proposed plan from 2004 was totally different:

ObamaCare involves a massive expansion of Medicaid; does not promote health savings accounts as a way encourage consumers put price pressure on health care providers; continues to link health insurance to employers; punishes companies for not covering employees; enforces the mandate by means of levying tax penalties on citizens; and will eventually attempt to restrain spending by turning insurance companies into utilities by bureaucratically setting their rates.

BaileyCare would enable all Americans to purchase health insurance in a national competitive private market. It would completely eliminate Medicaid and S-CHIP (and possibly even Medicare) and use those funds to provide vouchers to poor Americans helping them to buy private insurance in a competitive market. It also would completely delink insurance from employment; it is a consumer-driven plan that combines high-deductible catastrophic insurance with health savings accounts with the aim of using market competition to rein in health care expenses. Vouchers also mean that there would be no need for tax penalties to force people to buy insurance.

He also points out that his article called the individual mandate a "second-best" alternative to an anarcho-utopia in which people without insurance get hit by cars and are denied medical care in the emergency room. The main point is that I acknowledged in my post that Bailey's 2004 plan differed from the Affordable Care Act. It doesn't matter. Bailey's argument would make sense if he had been urging libertarians to accept an individual mandate as the cost of getting other, more palatable reforms. Then his shift on the individual mandate would be less dramatic. Instead he was advocating the individual mandate as a good in and of itself:

Mandatory health insurance would be not unlike the laws that require drivers to purchase auto insurance or pay into state-run risk pools. They also resemble the libertarian Cato Institute's proposals for reforming Social Security, which do not *eliminate* mandatory payments; they *privatize* them. Similarly, school voucher plans generally mandate that children receive an education. As the Rose and Milton Friedman Foundation notes, universal school vouchers would allow "all parents to direct funds set aside for education by the government to send their children to a school of choice, whether that school is public, private or religious." This system separates "the government financing of education from the government operation of schools."

The article was titled "Mandatory Health Insurance Now!" Reason has since discovered that the individual mandate is not only not an improvement to the status quo but a dire threat to freedom and unconstitutional. The fact that other features of his plan were different has nothing to do with my point.

In other libertarian feud news, I've also been carrying on a debate with fellow Reason staffer Radley Balko. Balko has

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been defending the Kochs, arguing that they care about libertarian ideas, not their self-interest. I responded:

It seems to me that the line between "ideas" and "interests" is, at best, a lot less clear than Balko makes it out to be. Libertarianism is an idea with many possible interpretations. The notion that corporations should be able to pollute the commons with harmful greenhouse gases at no cost whatsoever is just one such interpretation, and not necessarily the most natural one. Likewise, the notion that reducing the size of government is best achieved by, or even rationally related to, debt-financed regressive tax cuts is also highly contestable. Yet these are interpretations that are very congenial to the Koch brothers' bottom line, and they're also the interpretations promoted by Koch-financed groups. So this presumed dichotomy between their narrow interests and their belief in libertarian ideas seems to be a pretty shaky concept.

I mentioned Bailey's history as a past climate skeptic and current fierce foe of any carbon rationing policy. (Apparently, like many on the right, he's switched from climate change denial to acknowledging the effects of carbon emissions but opposing any plan to price carbon emissions.)

Balko fired back with a post calling my argument "ad hominem" and then, perhaps attempting to prove he does not know what "ad hominem" means, ignored my argument and called me "blinkered by partisanship." (Side note: I've been in half a dozen debates with Reason folk, and have been called "partisan" literally every time. At least come up with a synonym!) Balko focused on Bailey having switched his basis for opposing any price on carbon emissions, which I didn't know when I wrote my item. Balko writes:

you really can't imply to your readers that Bailey's global warming denialism is evidence that Bailey and *Reason* are merely serving their Koch paymasters when five years ago Bailey publicly repudiated the position you're alleging he's still getting paid to take.

I don't think the Kochs care all that much if they're supporting writers who oppose pricing their carbon emissions due to skepticism with climate science or due to some other reason. I do think that if Reason started advocating a carbon pricing scheme that stood some plausible chance of legislative success, the Kochs -- who boast about cutting off funding for work they disagree with -- would probably respond.

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