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# **Grassroot Perspective: Accessibility vs. Innovation, Minimally Effective, and More**

Scanning the week's national news, views and clues with you and yours in mind

## By Malia Hill

## Quote of the Week:

"One of the traditional methods of imposing statism or socialism on a people has been by way of medicine. It's very easy to disguise a medical program as a humanitarian project. Most people are a little reluctant to oppose anything that suggests medical care for people who possibly can't afford it." — Ronald Reagan (1961)

Each week, we'll be monitoring the web to find the most interesting, challenging, or important items for those who are concerned about liberty, accountability, and big government. Here are some of the highlights from the past week:

## Accessibility vs. Innovation in Health Care

During the long (unfinished) fight over Obamacare, a frequent charge leveled at any nationalized health care effort is that such programs tend to stifle innovation and technological advances. While the other side tends to pooh-pooh such concerns or switch the focus to the large number of people without regular access to care, few have chosen to deal with the accusation head-on. Perhaps because combating it is a losing proposition. As evidenced by this article in *The Economist*, that stifling of innovation isn't just about new procedures or treatments. It can even be about implementing a system adapted from the car industry to improve staff performance and communication.

The PICS system adopted by Queen Elizabeth's hospital in Birmingham has been so successful (both in terms of staff efficiency and patient outcomes) that other hospitals have started referring patients there for treatment. Adoption by other hospitals, however, has been slow to non-existent in a system that is deeply concerned about costs, with no incentive to change. (Though Queen Elizabeth's does claim that the cost is offset by fewer readmissions or wasted prescriptions.) In the analysis of why the NHS has been so slow to adopt the innovation comes this startling observation that may be coming to a hospital near you soon: "The service is centrally funded and emphasises the universality of its care rather than its results. Such a system is likely to prove better at controlling costs than at encouraging good ideas to thrive."

## **Minimally Effective**

There has been a lot of talk lately about raising the minimum wage. The thinking behind this move is easy enough to grasp—after all, in a bad economy, what better way to help the people at the bottom of the wage scale than by requiring that they get a bit more money for their labor.

If you spent a year working on it, you could not find a better illustration of how bad we (as a culture) can be at economic analysis. As though businesses everywhere will just say, "well ok then, we'll just cut our profit margin and start paying everyone more."

As the analysis from the Cato Institute illustrates, minimum wage laws are not the panacea they're made out to be. As it turns out, such laws actually tend to hurt the very people they are trying to help—the poor, the young, those with low-level skills, etc. Businesses respond rationally to such laws—not at the expense of their profit— but by adjusting their employment practices. So the actual result of minimum wage laws is to reduce employment; most especially for those disadvantaged groups that the laws are ostensibly there to protect. They also have a similarly negative effect on fringe benefits offered to employees, the availability of part-time work, and the growth of the economy as a whole. They don't even have a real effect on poverty levels. So it seems that (like so many liberal economic moves) adjustments to the minimum wage law are more about patting ourselves on the back for our generosity rather than making any real difference.

#### Whom Does Rail Help?

And now, it's time for another cautionary tale about Rail. (It's like I just can't get enough of them.)

Who is mass transit supposed to be for? The environment? Those without regular access to private vehicles? The politicians? (I'm going with a definite "yes" on that last option.) There is a tendency to assume that mass transit like Rail is a boon to the less fortunate, but as this article points out, Rail is not necessarily a friend to the economically disadvantaged. Even putting aside issues of its effect on taxes or the economy as a whole, it seems that expensive Rail lines can be a net negative in terms of helping people find affordable and convenient transportation. As the LA experience shows, reduced bus service combined with uneven fare collection results in a mass transit plan that puts its Rail fixation ahead of actually helping the poor. (Oh, and it's also in debt and falling well below expected ridership. But what else is new?)

#### The Jobs Flatline

There's nothing like a line graph to make you more depressed about the stagnant economy we seem to be stuck in. Like a hamster in a wheel, the Obama Administration is expending a lot of energy and spin in the effort to explain away the continued poor employment numbers, and is making just as much forward progress. I can't help but wonder about those meetings—does someone actually say, "Let's blame Bush again, that usually works."

As Daniel Mitchell explains, the current jobs stagnation is a new historical low, but one that shouldn't necessarily be blamed on past spending. Instead, he suggests that we look forward for the source of our economic ills. Of course, the Administration may not care for that suggestion, as looking forward means considering the possibility that huge tax increases, Obamacare, and harsh new regulations may be just a tad discouraging to business and economic growth.

#### Scientific Proof that Dogs are Good for You

Who doesn't love dogs? Just communists and cat people, right? Or do I repeat myself? (Please cat people—no angry letters. I do not actually believe that all cats are selfish, finicky divas who aspire to world domination—just most of them.) Anyhow, in support of anyone (like me) who is currently trying to make a case for anew dog, I offer the following video from the *Wall Street Journal*: actual scientific evidence that dogs are good for people's health. A new study suggests that babies in homes with dogs have fewer infections than those without dogs. Interestingly, this seems related to the growing hypothesis that (in layman's term) a little more exposure to dirt and germs may be good for us after all. This does not, however, mean that watching someone get "doggie kisses" is any less icky.