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Michael F. Cannon, Cato, Dir. of Health Policy Studies:

Hurting the Sick is not Good Politics

I was glad to see James Pinkerton **engage** my **criticism** of Louisiana Gov. Bobby Jindal's (R) endorsement of federal price controls for health insurance. (Click here to see Jindal's response.) I was even more pleased to see that Pinkerton has his own blog devoted to developing a **Serious Medicine Strategy**.

If I understand Pinkerton, his argument is essentially: it's all well and good for some unelectable wonk in the "citadel of libertarian thinking" to "uphold ivory-tower free-market purity" by opposing price controls. But Republicans need "art-of-the-possible solutions" to win elections, and 90 percent of the public support those price controls. "Everyone has a right to his or her principled position." Pinkerton writes, "but the majority has rights, too."

Two problems.

First, Pinkerton suggests that libertarians oppose price controls for reasons that only matter to libertarians, and therefore they may be safely ignored. Problem is, price controls hurt people. Were Pinkerton to explore the merits of Jindal's proposal, he would soon conclude that imposing price controls on health insurance taxes the healthy, reduces everyone's health insurance choices, and creates even greater incentives for insurers to shortchange the sick. (Turns out that what Larry Summers said about price controls applies to health insurance, too.) As John Cochrane explains, those price controls also block innovative products that would provide more financial security and better medical care to the sick.

But Pinkerton's advice for Republicans is, essentially: "Do what's popular now, even if it hurts people and voters end up blaming Republicans for it later." How is that a good strategy?

Second is this idea that "the majority has rights." Majorities don't have rights. Individuals have rights. For example, you have the right to negotiate the terms of your health insurance contract with the individuals at this or that insurance company. Majorities may attain power, but that's the opposite of rights. (See the **Bill of Rights.)**

Finally, a couple of important odds and ends. Pinkerton suggests it is "un-libertarian" to be "pro-life," or to "support the police, the military, and other upholders of public order," or to "support government restrictions on...euthanasia." Writing from the "citadel of libertarian thinking," I can assure him he is wrong. Might I suggest Pinkerton read the relevant chapters from The Encyclopedia of Libertarianism? (The health care chapter is a page-turner!) Also, I did not "denounce Jindal" any more than Pinkerton denounced me. I criticized his ideas, and I respect the man.

(Cross-posted at Cato@Liberty.)

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