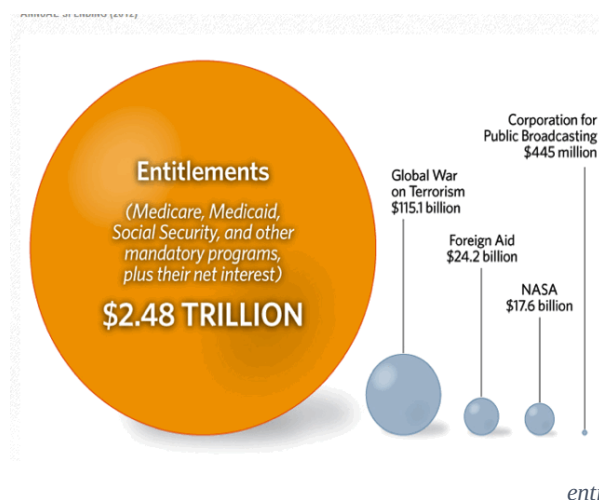


A Better Way to Address Entitlements and Regulation

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Entitlements The conservative position that entitlements create dependence and decrease a society's health by supporting the survival of the unfittest is not without merit, but eliminating them



is the wrong solution. As the balloon here indicates they are the largest part of the federal budget as well as being the fastest growing. Military spending on defense, not pictured here, is about a third the size of the entitlements. Entitlements absolutely need to be addressed, but as Einstein said, our problems can not be solved on the same level of thinking on which they were created. We need to think differently; we need to reframe our problems, we need a different level of thinking.

The proper solution is to empower the individual in making better choices; entitlement programs should be ended and payments made to a Singapore-like Central Provident Fund that allows the person to pay for socially desirable goods like healthcare, education, housing, and even food. These funds are controlled by and empower the individual rather than supporting their dependence.

Both liberal and conservatives talk about the inequality present in our society and a negative income tax proposal is an attractive solution. It would be even more so if the funds went into a Central Provident Fund. In this way much of government could be eliminated along with their unnecessary regulations. Government figures from the GAO put the overhead cost of these programs at about 15%. Estimates from libertarian sources put the overhead at more like 60-70%. Whichever your choice the overhead cost of SNAP, the food stamp program, which comes closest to funding the individual, is close to the 15% the GAO says is standard.

Regulations Regulations are a related matter. They began because of abuses in industry over a hundred years ago exemplified by those in the canning industry exposed by Upton Sinclair in his book, *The Jungle*. Regulations were established to prevent the abuses. That is the natural way of coping with abuse; you do what is necessary to stop them. That's the same kind of thinking that led to our expanding problem with entitlements. But while entitlements can create dependent behaviors, regulations don't do that; they create gaming behaviors that are just as bad. Any time a person is constrained in a legal framework like regulations they will look for ways to survive better within the framework. It's called gaming the system and it leads to a continued escalation of regulations to contain the gaming in an endless and increasingly costly cycle. But it has a similar solution: while shifting entitlement payments directly to the individual empowers

them to make better choices, informing the public about the abuses and the false advertizing helps them to make better decisions. It's like a federal *Consumer's Reports*.

Regulations in healthcare also need rethinking. One of our current crises in healthcare is the rise in opioid abuse and the increase in deaths that has actually reversed our steady increases in life expectancy over the last 160 years. Eliminating the drugs has been discussed, an approach similar to the wrong-headed approaches listed above. Again empowering the individual with more options is key, and one of those options is cannabis. A review in the *Journal of the American Medical Association* shows the benefits.