

LEFT AND RIGHT DIFFERENCES: HOW BIG SHOULD GOVERNMENT BE?

KEY TERMS:	government welfare-state	state regulate	Big Government Big Business	Ponzi-scheme
NOTE-TAKING COLUMN: Comvideo. Include definitions and		CUE COLUMN: Complete this section <u>after</u> the video.		
What is one of the most important Left and the Right?	ortant differences betw	ween the	What are the major diff how the Left and the R of government?	
What will eventually happen is smaller?	f big governments do	n't get	What are the major dif- how the Left and the R of government as it rela- being of its citizens?	ight view the size
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DISCUSSION & REVIEW QUESTIONS:

- In the beginning of the video, Mr. Prager explains that, "The Left believes that the state should be the most powerful force in society. Among many other things, the government should be in control of educating every child; should provide all health care; and should regulate often to the minutest detail how businesses conduct their business... In short, there should ideally be no power that competes with Government. Not parents, not businesses, not private schools, not religious institutions; not even the individual human conscience." What is the relationship between power/control and freedom? Why do you think that the left values enormous government power and control so much? Why do you think that the Right abhors it so much?
- We learn in the video that, "...as governments grow in size and power...Individual liberty will decline." Mr. Prager shares the simple logic that, "The more control the government has over people's lives, the less liberty people have." Why do you think that the Left values individual freedom less than the Right does? Why are people on the Left so willing to trade individual freedom for perceived benefits from the government?
- Mr. Prager points out that, "Countries with ever expanding governments will either reduce the size of their government or eventually collapse economically. Every welfare state ultimately becomes a Ponzi Scheme, relying on new payers to pay previous payers; and when it runs out of new payers, the scheme collapses." Where is the Left attempting to get new payers from? Considering that, historically, Mr. Prager's point has proven true over and over and continues to be proven true, why do you think that the Left still wishes for America to employ this welfare-state model?
- Mr. Prager notes that, "The Right fears Big Government. The Left fears Big Business. But Coca Cola can't break into your house or confiscate your wealth only Big Government can do that. As irresponsible as any Big Business has been, it is only Big Government that can build concentration camps and commit genocide." What are some fundamental, significant differences between Big Business and Big Government, especially in terms of control over your life and property? Which of these differences do you think affect you the most? Why?
- During the course of the video, Mr. Prager teaches us that, "Conservatives...believe the government's role in society should be limited to absolute necessities such as national defense and being the resource of last resort to help citizens who cannot be helped by family, by community, by private organizations, or by religious and secular charities," but that, "Big government [favored by the Left] eats away at the moral character of a nation. People no longer take care of other people. After all, they know the government will do that. That's why Americans give far more of their money and volunteer far more of their time to charity than do Europeans at the same economic level." Do you think that the underlying, fundamental difference between the right and the left is really in caretaking- that the Left wants to be taken care of but the Right wants to take care of themselves and others? Why or why not? Which of these opposing caretaking views was shared by the founders of the United States? Which caretaking view, and associated value system, is more moral? Explain.

EXTEND THE LEARNING:

CASE STUDY: Canadian Health Care

INSTRUCTIONS: Read the articles "How Much "Free" Health Care Really Costs Canadians" and "'Free' Health Care in Canada Costs More Than It's Worth," then answer the questions that follow.

- Why do some people think that Canadian health care is 'free?' Where does the
 money to pay for it actually come from? How much did an average Canadian family
 of four pay in 2014? How much did health care insurance go up in the last decade
 for Canadians? How big is the funding gap in the health care system? What does
 the author project will happen in the absence of reform?
- Considering the deception of the system being 'free' and of the low quality of care, do you think that the trade-off for the Ponzi-scheme of Canadian health care is worth it for Canadian citizens? Why or why not? The author of the first article described the increasing amounts that Canadians have to pay for health care as, "... an unsustainable trend that will only be exacerbated by the ageing baby boomers in the future." What will make it unsustainable? Why do you think that so many people choose to ignore the inevitable coming collapse?
- Isn't the notion of having the government take care of you from cradle to grave the
 ultimate expression of selfishness? Why or why not? Why do you think that the Left
 welcomes the government having such power as a caretaking mechanism, whereas
 the Right sees that same power as an imposing restriction on freedom?



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1. What does the Left believe the government's role in society is?

- a. Local governments should have the ultimate authority over social programs.
- b. There should ideally be no power that competes with Government.
- c. The government should be limited to absolute necessities.
- d. The government should be entirely abolished.

2. What does the Right believe the government's role in society is?

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- c. The government should be limited to absolute necessities.
- d. The government should be entirely abolished.

3. Why does big government eat away at the moral character of a nation?

- a. People change their stance on fiscal policy.
- b. People become concerned with only one segment of society.
- c. People no longer take public transportation to avoid the homeless.
- d. People no longer take care of other people because they know the government will do that.

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- a. are constantly increased.
- b. will become nonexistent.
- c. will be lowered on imports.
- d. will guarantee solvency.

5. The amount of control the government has over people's lives has no effect on the amount of people's individual liberty.

- a. True
- b. False



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- 4. In order to pay for an ever-expanding government, taxes _____.
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http://www.huffingtonpost.ca/bacchus-barua-/health-care-costs-canada_b_6004034.html



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How Much "Free" Health Care Really Costs Canadians

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"Don't touch my free health care," is a common refrain from defenders of the status quo whenever anyone broaches the topic of reforming Canada's health-care system.

While politicians and interest groups no doubt share a portion of the blame for perpetuating the myth of a \$0 price tag for health care in Canada, their ability to carry public opinion with them stems from the murky manner in which health care is funded.

Individuals and families never see a bill for medical services, are not subject to any level of cost-sharing, and only pay a small so-called "premium" for health insurance (in provinces that impose them) that in no way represent the true cost.

The truth of the matter is that Canadians actually pay a substantial amount for health care through their taxes. But no one really knows how much.

And that is the key to the illusion.

Instead of using a dedicated health insurance tax that earmarks tax money for the specific purpose of funding health care, the government funds it through general tax revenue -- taking a few dollars from here and there so that it's impossible for families to add up the number for themselves.

This is a serious problem; any discussion about the quality and efficiency of our health care system requires participants to have intimate knowledge about how much they personally contribute to the system.

In order to fill this information gap, we conducted a <u>study</u> to estimate the price tag of public health insurance for different types of families.

We found the average single individual earning \$42,163 can expect to pay \$4,381 for public health care insurance in 2014. Meanwhile, the average Canadian family of four (two parents, two children) earning \$101,724 will pay \$11,786.

There are also differences in the amounts families earning different levels of income pay. For example, the 10 per cent of Canadian families with the lowest incomes will pay an average of \$523 for public health care, while the top 10 per cent will pay \$37,239.

The data also show that the health care tax bill has grown faster than the cost of other basic necessities (food, clothing, and shelter) -- as well as growing one and a half times faster than average incomes during the previous decade. This is clearly an unsustainable trend that will only be exacerbated by the <u>ageing baby</u> boomers in the future.

Unfortunately, for <u>all the money spent</u>, <u>international statistics</u> suggest that Canadians are <u>not receiving</u> commensurate value in return. But the comparison of such broad aggregated data is another story for another time.

It ultimately comes down to Canadian individuals and families to assess whether they receive good value for their money based on their own personal experiences and bank accounts. But first they must know how much their "free" health care really costs them.

This piece was co-written by Milagros Palacios, Senior Research Economist, Fraser Institute.

http://www.huffingtonpost.ca/nadeem-esmail/canada-free-health-care_b_3733080.html



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'Free' Health Care in Canada Costs More Than It's Worth

Posted: 08/09/2013 5:32 pm EDT Updated: 10/09/2013 5:12 am EDT

Many Canadians and commentators in other countries lauding Canada's government-dominated approach to health care refer to Canadian health care as "free." If health care actually were free, the relatively poor

performance of the health care system might not seem all that bad. But the reality is that the Canadian health care system *is not free* -- in fact, Canadian families <u>pay heavily</u> for healthcare through the tax system. That high price paints the long wait times and lack of medical technologies in Canada in a very different light.

In 2013, a typical Canadian family of four can expect to pay \$11,320 for public health care insurance. For the average family of two parents with one child that bill will be \$10,989, and for the average family of two adults (without children) the bill comes to \$11,381. As a result of lower average incomes and differences in taxation, the bills are smaller for the average unattached individual (\$3,780), for the average one-parent-one-child family (\$3,905), and the average one-parent two-child family (\$3,387). But no matter the family type, the bill is not small, much less free.

And the bill is getting bigger over time. Before inflation, the cost of public health care insurance went up by 53.3 per cent over the last decade. That's more than 1.5 times faster than the cost of shelter (34.2 per cent) and clothing (32.4 per cent), and more than twice as fast as the cost of food (23.4 per cent). It's also nearly 1.5 times faster than the growth in average income over the decade (36.3 per cent).

And what did these substantial funds buy?

Despite talk of wait times reduction initiatives (backed with substantial funding), Canadians face <u>longer wait times</u> than their counterparts in other developed nations for emergency care, primary care, specialist consultations, and elective surgery. Access to physicians and medical technologies in Canada lags behind many other developed nations. And things have improved little since 2003. For example, the total wait time in 2012 (<u>17.7 weeks</u> from GP to treatment) is every bit as long it was <u>back then</u>.

Don't be fooled by claims that health spending isn't high enough or that transfers for health care to the provinces have been insufficient. Canada's health care system is the developed world's <u>most expensive</u> universal-access health care program after adjusting for the age of the population (older people require more care).

Canadians aren't suffering from health care underfunding; they're suffering from health care underperformance.

And it gets worse. Changing demographics mean Canada's health care system has a funding gap of \$537 billion. While health care is costly and underperforming today, in the absence of reform the future will either hold large increases in taxes, further reductions in the availability of medical services, further erosion of non-health care government services, or all of the above.

But the worst part is that things don't have to be this way. While Canadians are getting a raw deal for their health care dollars, patients in Belgium, France, Germany, Japan, Luxembourg, the Netherlands, and Switzerland receive universal access to health care without lengthy queues. Patients in Australia, Japan, Sweden, Switzerland, and France enjoy better outcomes from the health care process than Canadians from their universal access health care systems. And vitally, payers in these countries all face a smaller bill for health care than Canadians.

That combination of superior performance for less cost comes from more pragmatic approaches to health care policy. Each of these nations' universal access health care systems -- every one of them -- has a larger role for the private sector in financing and delivery than Canada with cost sharing, private competition in the delivery of health care services, and private parallel health care and health care insurance.

Contrary to claims made by Canadian fear-mongers, none of these nations has abandoned universality or suffered poorer health system performance and higher cost as a result. Rather, these nations all manage to deliver on the noble goal of universal access to high quality care in a time frame that provides comfort and

peace of mind. That's something Canada's provinces, with their government-dominated monopolistic approach, fail to accomplish.

Canadians pay a substantial amount of money for their universal health care system each year through the tax system but get a fairly poor deal in return. Reforming Canadian health care based on lessons from other, more successful, universal access health care systems is the key to solving that problem.

This piece was co-written by Milagros Palacios (@MPalaciosI), Fraser Institute economist.