Need and Public Policy: Handle with Care

BY GARY M. GALLES

I n public-policy debates the word most commonly invoked as the ace in the hole is "need." However, "need" needs careful handling.

"Need" has the political advantage, but the logical disadvantage, of lacking a clear meaning. That allows it to be systematically abused to distort understanding and to reach desired conclusions that justify picking people's pockets to pay for what someone else wants.

The concept has no universal meaning beyond "I want it, but I do not want to pay for it." I learned this from my children, who wielded the word almost exclusively to extract benefits for themselves at parental expense. However, once we move beyond childhood's focus on getting what is wanted by verbally manipulating parents, there is less reason to invoke "need." In a world of voluntary market arrangements, one seldom uses the word (except when explaining why one did or planned to do something). If you really "needed" something, rather than saying so you would simply buy it or earn the resources to do so. Need would result not in mere complaining, but rather in actions that benefit others as well.

When public policy is discussed, though, "need" is resurrected as a weasel word by whoever wishes to avoid paying for what he wants—a return to the paternalism of childhood—and it should therefore raise a warning whenever it is used.

In that context "need" assumes away the conse-quences of unavoidable scarcity. Scarcity exists for each of us, individually as well as for society, making tradeoffs imperative. And some of those tradeoffs involve choices among various "needs." Therefore, calling something a need diverts attention from the actual choices faced.

"Need" makes people focus on the wrong margins of choice. For instance, that you need water to drink is irrelevant to virtually every policy choice made about water. If the price of water rose, it would not be drink-ing water that people cut back on, but rather some of their many other, lesser-valued uses for water. (We all frequently treat water as nearly value-less because it's so cheap, and we use it whenever the benefits exceed its very low price.) So discussing water in terms of need adds confusion, rather than insight, to decisions. And the same is true for innumerable other "needs."

"Need" implies agreement on what and how extensive it is. However, needs are in the eye of the beholder, and their perceived extent varies dra-matically from person to person. (How much of X does one need?) When we don't agree on its extent, using the word "need" masks that dis-agreement. It implies that the beneficiaries' view is the relevant one, even when they are unwilling to offer enough to attract volunteers to supply their needs in the

> "Need" implies agreement on what and how extensive it is. However, needs are in the eye of the beholder, and their perceived extent varies dramatically from person to person.

Gary Galles (gary.galles@pepperdine.edu) is a professor of economics at Pepperdine University.

market. The often-different views of those forced to finance those needs are dismissed as irrelevant.

The idea implies that since people ought to have what they need, others have the responsibility to pay for such things if the ones in need cannot or will not do so. Unlike the cooperation in markets, this creates conflict whenever some of those "who can afford it" fail to volunteer to finance someone else's need.

"Need" sometimes also implies that the impossible is possible. Saying we need to ensure that everyone on earth gets enough to eat is false. In all of human history, that has never been the case. Such assertions actually state desired situations—goals, not needs. And however much we may desire those goals, we often know no way to accomplish them, so they will be only distantly related to what is done in the name of achieving them. In such cases, "need" is used to argue that we must do *something*, ignoring that we will do little to achieve our goals or will even make things worse, especially in the long run as people respond to the perverse incentives produced by the policy.

In day-to-day conversation we are all sloppy with the word "need." (For example, I need a shower.) That is fine as long as we know what we really mean. (I want to feel and smell clean.) The problem arises when we transmute the word into a central premise to justify policies that violate other people's rights and property. "Need" means "need in order to accomplish desire X." The simple use of the word, however, does not mean others have the responsibility to accomplish X on someone else's behalf. And it does not justify violating "Thou shall not steal" through the subterfuge of government.

Judging from what public-policy responses to "need" assertions have actually accomplished, they are just the rhetorical garnish necessary to justify using political coercion to plunder those who disagree about the extent of those needs. Those assertions don't eliminate the alleged need, but they give more power to governments, which have never been known to be particularly responsible. That's why the trillions of dollars spent on government programs addressing "needs" has accomplished so little.

The only thing that can ultimately help individuals meet their "needs" without infringing on others' ability to meet their own is freeing them from the power others have to dictate to them, so they can make whatever voluntary arrangements that satisfy them. Government "solutions" that undermine voluntary arrangements cannot provide for our needs as well, no matter how many times we invoke the word as a smokescreen to justify coercing others.

> The simple use of the word, however, does not mean others have the responsibility to accomplish X on someone else's behalf.