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Incentives Matter [1]

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Yes, we've just had the figures out for the number of teenage pregnancies and yes, that's still something that Britain tops the European leagues in. Various ideas are, as they are every year when the results come in, put forward as to why this might be so. We don't do enough sex education, we do too much, not enough of the right type, we're naturally promiscuous and I'm sure there's someone out there who will blame the alienation of capitalism and the anomie of modern life. We're also often compared to our close neighbours, the Dutch, who have a much lower rate of such pregnancies [3]:

> *Everyone?s always going on about the Dutch and their marvellous approaches to this subject ? sex ed from kindergarten basically and few unwanted teen pregnancies. What nobody ever says is that the Dutch aren?t hung up about sex and consider it a normal part of life, to be discussed en famille.*

Could be of course, but quite how to change the entire British culture is another matter. It's also true that this might be something to do with the difference [4]:

> *Teenage parents in the Netherlands receive little financial support from the state until they are 18, and even then still depend partially on their parents? support until they are 21. Babies born to teenage mothers are assigned a legal guardian (usually a parent of the mother) to whom child benefit is paid. The website of a local government-sponsored youth-work organisation explicitly states that: ?If you are a teenage mother and younger than 18 and living at home, you will not qualify for benefits?.8 Mothers aged under 18 rarely qualify for housing benefits and are generally expected to continue to live with their parents.*

Now, no, I don't regard the Family Education Trust as an entirely unbaised source on this matter, but that does indeed seem to be what the benefits system in Holland is. Further, no I don't think that that is the only reason (or reasons) for the difference: I'm sure that there is something in the cultural DNA over and above the differences in how the welfare state works.

But we do know very well that the more you subsidise of something the more you get of it: clearly we believe this to be true with farming, with education, with green and ecological behaviour, for that is indeed the reason that we give for the subsidies, that we desire more of such things (umm, to be accurate, that politically powerful groups use this as their argument for their subsidies perhaps). So why should we be at all surprised that if we subsidise behaviour that we don't particularly desire (for everyone does indeed say that teenage pregnancy is undesirable, even if that isn't my own view) that we get more of that behaviour that we don't desire?

As I imply above, I'm not particularly against (nor particularly in favour) of teenage pregnancy, but I would be in favour of people realising that we have, by creating a subsidy system for it, increased the liklihood of it happening.

After all, incentives do matter.

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