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Saving the NHS money [1]

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Quite the most enjoyable story of this week for me has been the report that smokers and fatties actually save health systems money, rather than the usual assumption that they cost [3].

> *On average, healthy people lived 84 years. Smokers lived about 77 years, and obese people lived about 80 years. Smokers and obese people tended to have more heart disease than the healthy people.*
>
> *Cancer incidence, except for lung cancer, was the same in all three groups. Obese people had the most diabetes, and healthy people had the most strokes. Ultimately, the thin and healthy group cost the most, about $417,000, from age 20 on.*
>
> *The cost of care for obese people was $371,000, and for smokers, about $326,000.*

We can put to rest then all of those scares about how obesity is going to bankrupt the NHS and perhaps we'll be allowed to smoke in pubs again, who knows whether this might bring people to their senses? When you add in the fact that those dying young get less in pensions and that smokers pay startling rates of tax on their habit it really is untenable to state that smoking costs anyone but the smoker herself anything, and as Mill pointed out that's not a reason to stop someone from doing something.

But there's another rather interesting question to be asked. There were those who were making this point (myself for example) when the Master Tobacco Settlement [4] was being crafted. The claim was that smoking created costs to the State run health care systems (Medicare primarily) and that the tobacco companies should thus pay up. Which they did, to the tune of something north of $200 billion and counting. But if they knew, as they most certainly did on both sides, that this increase in costs was fictitious, why the

settlement?

Because the tobacco companies did not in fact pay that money. What they were allowed to do was raise prices to their customers, protected from any anti-trust measures, to make those payments. And at the same time they were protected from any upstart competition coming into their business. It wasn't actually about health care costs at all, it was a Bootleggers and Baptists [5] scenario, with the usual outcome of the insiders benefitting and the consumers losing out. Which is why, whatever the evidence of the costs of smoking on healthcare budgets, the agreement won't be unpicked, whatever the evidence presented.

Isn't it wonderful the way government works?

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