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On that German legalisation of prostitution thing [1]

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A ouzzling little thought prompted by this piece which is describing the campaign to make prostitution illegal again in Germany [3]:

> They argue that Germany's experiment with liberalising prostitution has failed spectacularly, turning the country into "the bordello of Europe", with more and more brothels popping up near the border. The 2002 law was trying to make sex work a job like any other. But currently only 44 sex workers in Germany are registered with the national insurance scheme. Social workers say that most prostitutes cannot afford the luxury of putting aside money for a health insurance policy.

Here's what puzzles me. Traditionally we have noted that prostitution pays higher wages than other forms of earning a living. Gary Becker has pointed out that there is a loss of social capital for those who work in the trade as one example. Most of us also think that it's not exactly pleasant (from either side of the trade, most men don't and most women wouldn't) which would indicate higher wages are paid in order to get people to do the work. But here we have a claim that most women working in this now legal profession aren't making enough money to even afford health care insurance.

Which leaves us with something of a puzzle. For that would certainly seem to indicate that the wages are not high. The only way out of this puzzle is that the supply of women willing to do this work must be reasonably high relative to the demand for this sort of work to be done. That's the only way, in something as obviously free market as this, that we can explain those low wages.

But that then brings us to another problem. If there's a decent supply of women entirely willing to do this work then why on earth should anyone try to make it illegal? It might well be that I or you don't wish to do this work. But we don't like Simon Cowell either but some millions do: so why should we take it upon ourselves to stop people doing what they seem quite happy to do?

If prostitution were very highly paid work then that would be an indication that there needs to be a serious incentive to overcome the reluctance to do the work. But low wages do indeed indicate that there's sufficient people who don't really mind at all. At which point we've got to ask why we should be trying to make illegal what consenting adults appear quite happy to be doing?

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