

[Taxes ? the worst pest of all](#) [1]

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One of the challenges that think tanks face is getting a complex idea across to politicians who often don't have the time or interest to listen. Take the idea that, if you cut back state functions, the private sector will always step in with the cut in government expenditure boosting the private sector. It is tempting to go into a lot of economic explanation as to why, though sometimes it's as simple as government suppliers, benefitting from state subsidy or lower borrowing costs, being able to drive off competition. Occasionally, it gets slightly more complex, like when we look at the effects of government borrowing soaking up credit from lenders at the expense of private firms.

Fortunately, there are some interesting real-world examples to demonstrate the point. Take the effect of councils cutting back on pest control. With just 10% having cut this local government function, and 30% now charging for the service, there appears to have been a dramatic increase in the populations of rats, mice, cockroaches, bedbugs, wasps and moths. And of course, a massive boost to the pest-control industry. Lodi, producing rodenticides, saw a 25% sale increase. Beaver Pest Control, a 44% increase in call-outs over the last three years for rodents. Rentokil, a 24% increase in call-outs for bedbugs, and a staggering 231% increase in wasps' nest call-outs. Killgerm sold 18.5% more insecticides and had 59% more call-outs for moths last year. No additional resources are being consumed here ? as the state shrinks, the private sector expands to fill the vacuum and does so more efficiently.

If this is what happens when one small branch of local government provision is eliminated, just imagine the effect of sawing off a larger branch, perhaps of central government. The price of individuals having to pay for pest extermination (rather than general taxpayers) gives people a reason to take responsibility for their actions ? minimising litter and unhealthy messes around the home which attract pests in the first place. The possibility of footing the bill for pest control rather than getting it for free from your fellow council-taxpayers is likely to make you think twice about leaving that dirty plate out or cheekily brushing those crumbs onto the carpet, and in the long run means fewer pests and fewer resources spent on controlling them.

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