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Insuring your nose [1]

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Wednesday's *Times* carried [3] the news that Ilja Gort, a Dutch wine producer, had managed to insure his nose and sense of smell for £4 million with Lloyd's of London. The article revealed that Ken Dodd's teeth are insured for the same amount, while Bruce Springsteen's voice is valued at £3.5 million, and Heidi Klum's legs go for the bargain price of £1.15 million.

The serious point here is that there are very few risks that we cannot insure ourselves against, which rather undermines the argument that only the state (and not the market) can provide 'welfare'. In reality we could take out health insurance, long-term care and incapacity insurance, unemployment insurance, and so on. We could save into private pension accounts, and we could put money aside to cover minor healthcare expenses. And for majority of us, doing this would be less costly than the taxes we currently pay to fund the state alternatives. Needless to say, with government removed from the equation, we would get a better return on our investment too.

Of course, that isn't to say that there would be no role at all for the state in such an ideal, free-market system. Most of us would surely be happy to see government tax revenues fund the truly disadvantaged so that they too could take advantage of this 'welfare market'. But that's a radically different vision of government from the one that prevails at the moment.

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