

Opinion

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GUEST EDITORIAL

Don't end damage suit limits

Editorial from The (Bend) Bulletin:

Thanks to a 2016 Oregon Supreme Court ruling, Oregon caps how much jurors can award for “pain and suffering” in civil lawsuits at \$500,000. House Bill 2014 would undo the cap where bodily injuries are concerned.

The Legislature should reject the bill. Passage will only make medical costs higher in Oregon.

Juries can award economic and noneconomic damages in civil lawsuits when someone dies and when a person is injured. Economic damages are verifiable losses such as medical expenses, lost wages and future earnings. Noneconomic damages aim to compensate for pain, suffering, loss of reputation and other, less tangible things that are difficult to assign a number value.

The court set the limits in an appeal of a medical case. Doctors at Oregon Health & Science University botched a surgery on a child. Fixing the error required a liver transplant, surgeries and medical monitoring for the child's life. The physician and the hospital admitted their errors, so the trial centered on damages. The jury awarded \$6 million in economic damages and another \$6 million in noneconomic ones. On appeal, the court reduced the noneconomic damages.

HB 2014 would change noneconomic damages going forward. It would allow a jury to give a living victim any amount it saw fit in noneconomic damages. It would not apply to cases involving deceased victims. The basic argument for the bill is that a jury should be able to award whatever noneconomic damages it believes a plaintiff proved.

The measure was approved, 36-22, by the full House on March 25 and awaits action in the Senate.

Legislators should remember why Oregon has a cap on noneconomic damages. Nobody denies pain and suffering is real and may be entitled to compensation. But there is no reasonable way to attach a number value to it. The connection is arbitrary. A cap helps keep the number reasonable. There would be nothing wrong with annually adjusting the cap for inflation. That would be more reasonable than no cap.

A cap helps to hold down costs of medical malpractice insurance premiums — and that, in turn, holds down medical costs for all Oregonians. When caps on noneconomic damages come off, it provides more incentive for lawsuits and more money for lawyers. It's already challenging to get doctors and other medical professionals to serve in rural communities. Stripping the cap will make it financially unfeasible for some doctors with high debt to even consider serving a rural community.

Don't make health care even less affordable in Oregon. Defeat HB 2014.



Capitalism isn't killing Earth

NOAH SMITH

It has become fashionable on social media and in certain publications to argue that capitalism is killing the planet. Even renowned investor Jeremy Grantham, hardly a radical, made that assertion last year. The basic idea is that the profit motive drives the private sector to spew carbon into the air with reckless abandon. Though many economists and some climate activists believe that the problem is best addressed by modifying market incentives with a carbon tax, many activists believe that the problem can't be addressed without rebuilding the economy along centrally planned lines.

The climate threat is certainly dire, and carbon taxes are unlikely to be enough to solve the problem. But eco-socialism is probably not going to be an effective method of addressing that threat. Dismantling an entire economic system is never easy, and probably would touch off armed conflict and major political upheaval. In the scramble to win those battles, even the socialists would almost certainly abandon their limitation on fossil-fuel use — either to support military efforts, or to keep the population from turning against them. The precedent here is the Soviet Union, whose multidecade effort to reshape its economy by force amid confrontation with the West led to profound environmental degradation. The world's climate does not have several decades to spare.

Even without international conflict, there's little guarantee that moving away from capitalism would mitigate our impact on the environment. Since socialist leader Evo Morales took power in Bolivia, living standards have improved substantially for the average Bolivian, which is great. But this has come at the cost of higher emissions. Meanwhile, the capitalist U.S. managed to decrease its per capita emissions a bit during this same period (though since the U.S. is a rich country, its absolute level of emissions is much higher).

In other words, in terms of economic growth and carbon emissions, Bolivia looks similar to more capitalist developing countries. That suggests that faced

with a choice of enriching their people or helping to save the climate, even socialist leaders will often choose the former. And that same political calculus will probably hold in China and the U.S., the world's top carbon emitters — leaders who demand draconian cuts in living standards in pursuit of environmental goals will have trouble staying in power.

The best hope for the climate therefore lies in reducing the tradeoff between material prosperity and carbon emissions. That requires technology — solar, wind and nuclear power, energy storage, electric cars and other vehicles, carbon-free cement production and so on. The best climate policy plans all involve technological improvement as a key feature.

Recent developments show that the technology-centered approach can work. A recent report by Bloomberg New Energy Finance analyzed about 7000 projects in 46 countries, and found that large drops in the cost of solar power from photovoltaic systems, wind power and lithium-ion batteries have made utility-scale renewable electricity competitive with fossil fuels. A 76 percent decline in the leveled cost of energy (a standardized measure of total cost) for short-term battery storage since 2012 is especially important.

In a blog post, futurist and energy writer Ramez Naam underscores the significance of these developments. Naam notes the important difference between renewables being cheap enough to outpace new fossil-fuel plants, and being inexpensive enough to undercut existing plants. The former is already the case across much of the world, which is among the reasons for an 84 percent decrease in the number of new coal-fired plants worldwide since 2015.

But when it becomes cheaper to scrap existing fossil-fuel plants and build renewables in their place, it will allow renewables to start replacing coal

and gas much more quickly. Naam cites examples from Florida and Indiana where this is already being done. He cites industry predictions that replacing existing fossil-fuel plants with renewables will be economically efficient almost everywhere at some point in the next decade.

Electricity is far from the only source of carbon emissions — there's also transportation, manufacturing (especially of steel and cement), home and office heating and agriculture to worry about. But the rapid advance of solar technology is a huge victory in the struggle against climate change, because it will allow people all over the world to have electricity without cooking the planet.

And how was this victory achieved? A combination of smart government policy and private industry. Massachusetts Institute of Technology researchers Goksin Kavlak, James McNerney and Jessika Trancik in a recent paper evaluated the factors behind the solar-price decline from 1980 to 2012. They concluded that from 1980 to 2001, government-funded research and development was the main factor in bringing down costs, but from 2001 to 2012, the biggest factor was economies of scale. These economies of scale were driven by private industry increasing output, but with government subsidies helping to increase the incentive to ramp up production.

It's apparent, therefore, that both government and profit-seeking enterprises have their roles to play. Government funds the development of early-stage technology and then helps push the private sector toward adopting those technologies, while private companies compete to find ever-cheaper methods of implementation. Instead of eco-socialism, it's eco-industrialism. If there's any system that can beat climate change, this looks like it.

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GUEST EDITORIAL

Editorial from The Chicago Tribune:

Democratic presidents have found it hard to achieve the goal of universal health insurance coverage. Jimmy Carter promised it when he ran in 1976, but he was unable to get a bill passed. Bill Clinton enlisted Hillary Clinton to craft a plan, but it failed in Congress. Barack Obama managed to pass the Affordable Care Act, but it fell well short of covering everyone.

Even Obama's relatively cautious plan was bad for the Democratic Party, which lost the House in 2010, after Obamacare passed — just as it lost the House in 1994 after the Hillarycare push. But many Democrats have abandoned incremental reform. They insist on pursuing what Rep. Pramila Jayapal, D-Wash., calls “a complete transformation of our health care system.”

Sen. Bernie Sanders, I-Vt., has long advocated a single-payer system he calls “Medicare for All.” Among other presidential candidates who've signed on as co-sponsors are Sens. Elizabeth Warren, Kirsten Gillibrand, Kamala Harris and Cory Booker. Rep. Alexandria

Ocasio-Cortez, D-N.Y., says, “I reject the idea that single payer is impossible.”

Maybe she should reconsider. There are a couple of major problems with what, in its long history of never happening here, also has been billed as national health care, universal health care, universal coverage, statutory health insurance and socialized medicine.

The first problem is money. A 2016 study by the liberal Urban Institute estimated that Sanders' program would boost federal outlays by \$32 trillion over a decade. To put that in perspective, remember that total federal expenditures this year will be about \$4.4 trillion. Advocates say a single-payer system would eliminate so much waste that it would reduce overall national health spending, but the Urban Institute found it would raise costs by a hefty 17 percent. Nor have Sanders & Co. devised a way to pay for that: The liberal Tax Policy Center found a funding shortfall of \$16.6 trillion over 10 years, which roughly equals the entire federal debt currently held by the public.

That dire reality brings us to the second problem: public opinion. A recent poll by the Kaiser Family Foundation found that most Americans support the idea of Medicare for All — until they hear that it would raise taxes and eliminate private health insurance companies. More than 150 million people are covered by employer-provided insurance, and most are happy with it. Nobel Laureate economist and liberal New York Times columnist Paul Krugman wrote recently, “A Medicare for All plan would in effect say to these people, ‘We're going to take away your current plan, but trust us, the replacement will be better. And we're going to impose a bunch of new taxes to pay for all this, but trust us, it will be less than you and your employer currently pay in premiums.’”

That's a tough sell. Americans have shown that while they want more people covered, and want their medical costs lowered, they're suspicious of change. That's why public opinion opposed Obamacare from the start — and why, once it was in danger, public opinion

opposed repeal. Just as Democrats suffered at the polls in 2010 for passing the ACA, Republicans suffered in 2018 from trying to scrap it.

Incremental reform of the ACA could include improving the efficiency of the health exchanges where individuals buy private insurance, sweetening subsidies for middle-income families, and providing more “navigators” to assist consumers in finding policies that fit their needs. Measures to curb pharmaceutical prices or rationalize hospital bills might help. Congress could also find ways to encourage more states to expand Medicaid.

We're not endorsing all these changes — merely noting that there are many ways to advance the goal of expanding coverage and containing costs that don't require a federal takeover of health insurance.

Many Democrats think that when voters gave them a majority in the House, they got a green light to enact bold changes in the U.S. health care system. They would be wiser to act as though they have a yellow light — which means, “proceed with caution.”