

Rules for fools?

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Freedom from ...

- Freedom from speech, worship
- Franklin Roosevelt (1941) added freedom from fear and want
- Today's politicians offer a far more generous menu: freedom from unlicensed hair cutters, freedom from rogue interior designers
- How? license

licences

- In 1950s, fewer than 5% of American workers needed licences
- Today, it is almost 30%
- In Britain, only 13% of workers need licences

Doctors and dentists

- Doctors and dentists need licences: occupations that pose plausible threat to health or safety
- So why florists, interior designers, and so on, need licences?

Getting a licence

- To be barber in California? — you have to study the art of cutting and blow-drying for almost a year
- To work in the wig trade in Texas? — you have to take 300 hours of classes and pass both written and practical exams

Interior design

- To be an interior designer in Florida — you have to have a university degree and a two-year apprenticeship and pass a two-day exam

The cost

- The cost of all this pettifoggery is huge—**unless you are a member of one of the cartels**
- Morris Kleiner (U of Minnesota): licensing boosts the income of licensees by about 15%
- Licensing slows job-creation
- Licensing makes it hard for people to move from state to state

The burden of regulations

- In the US, the burden of regulations falls most heavily on ethnic minorities and women

To remove licence requirements

- Florida intends to remove licence requirements from 20 occupations including hair-braiding, interior design, and so on
- The cartels of incumbents lobbied the loudest
- The bill was defeated on May 7th, 2011