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Let Markets Solve the Gun Problem

Antony Davies and James R. Harrigan

The gun debate has raged for decades in the United States because we are trying to resolve a contradiction. Reasonable people from both sides of the debate can agree on two things: shootings should not occur, and people have the right to defend themselves. This agreement leaves us with clearly conflicting goals. It's no wonder that legislation, with its one-size-fits-all solutions, produces nothing but a regulatory mess, accomplishing little and satisfying no one. It is possible, though, that a simple, common-sense solution has been available for the entirety of the debate. We have simply missed it in our zeal to regulate our preferences by government fiat.

Yes, firearm violence is down almost [70 percent](#) since the 1990s, but there is no compelling evidence to suggest that the decline has anything to do with the various gun restrictions we tried during that period. Yes, responsible people retain the right to defend themselves with firearms, except in some states, except with some weapons, and except in certain establishments. Our patchwork of gun laws is a testament to the fact that politicians have no idea how to balance the right of self-defense against gun violence. So every time a Sandy Hook or a Las Vegas occurs, politicians throw more laws at the problem hoping that, this time, something will work. Sadly, many of these laws are designed more to make it look like politicians are “doing something” than to accomplish any meaningful change.

Compounding the problem, and in keeping with the one-size-fits-all model of problem-solving, legislation lumps into a single category any number of different policy concerns from school shootings to violent crime to suicide, as if these were all manifestations of the same problem.

As with previous massacres, none of the solutions offered in the wake of the Florida school shooting would have prevented it had they been in place. Multiple people warned both the [FBI](#) and the [Broward County Sheriff's office](#) about the shooter months or years ahead of time. There were [four armed law enforcement officers](#) already on site. The school was in a [gun-free zone](#). If the particular model of gun the shooter used had

been banned, there were numerous other functionally equivalent options at his disposal. Legislation simply can't prevent shootings without prohibiting self-defense, nor permit self-defense without allowing shootings.

While legislation can't handle conflicting goals, markets can. From versions of cars to fit every lifestyle, road condition, and family size to [Bernie Sanders'](#) "23 brands of underarm spray deodorant," markets come far closer to delivering what people want when they want different things. So what can the market do to balance the conflicting goals of safety and personal defense that the law can't?

For years, [people](#) have argued that gun owners should be licensed in much the same way that car owners are. We think this hints at a fascinating possibility. But instead of licensing gun owners as we do car owners, we should insure gun owners as we do car owners. With cars, as firearms, there are conflicting goals to reconcile. People want to drive, but people also want to be protected from other drivers. Most states reconcile these things by requiring that everyone who owns a car have insurance to protect people they might harm while operating it.

The insurance requirement has several important effects. Most obviously, car insurance for bodily injury provides recompense to people a driver harms. This means little to someone who has lost a loved one to a reckless driver, but notice something else. The insurance company has a profit incentive to keep tabs on the car owners it insures. Owners who have poor driving histories, who demonstrate less responsibility in other areas of their lives, who own particularly fast or powerful cars, or who live in high traffic or high crime areas will find that they have to pay higher insurance premiums. In extreme cases, insurance companies may even refuse to insure a driver entirely. Higher premiums, in turn, encourage people to exercise greater care in how, what, and where they drive. Through the insurance premium, the insurance company's profit incentive translates into a prudence incentive for drivers. Importantly, the government doesn't have to figure out what criteria are important hallmarks of a safe driver, nor determine who fits the criteria. Insurance companies have a strong profit incentive to figure all of that out. And they have made a science of doing so.

Following this model, we could replace our myriad gun laws with the following single law that applied across all the states and localities: *In accordance with the Second Amendment, no one is prohibited from owning or carrying a firearm. However, in accordance with the government's responsibility to protect people from harm, every gun owner must carry private insurance that will compensate, by up to \$5 million per victim, anyone harmed by the gun owner's weapon. Owning or carrying an uninsured gun is punishable by imprisonment.*

This is not a perfect solution, but there is no perfect solution. The relevant question is whether this would be better than what we have now. And it would be a lot better. If the goal is to reduce both accidental and malicious shootings, requiring gun owners' insurance would solve many more problems than knee-jerk legislation ever would. It would co-opt companies' search for profits and people's avoidance of costs to help mitigate shootings. Insurers would have a profit incentive to monitor gun owners that the FBI and the Broward County Sheriff's office, along with every other law enforcement agency in the country, do not have. Insurers would also have a profit incentive to determine what safety technologies work, to encourage gun owners to adopt them, and to verify that owners are proficient in the use and storage of firearms. Perhaps most importantly, insurers would have a motive to demand a demonstration of mental health. And all of this could be done in private hands, rendering a much-feared national gun registry wholly unnecessary.

And who better to lead the charge under this new model than the NRA itself? Its membership already constitutes an insurance pool, and the NRA already understands the market. The organization could put its money where its mouth is by being the first to offer the insurance. This plan harnesses the power of corporate profit-seeking and puts it to work finding better solutions to our gun problem, a problem politicians have spent the last half century or so not solving. It's time they stepped aside and let the market give it a shot.

Antony Davies is associate professor of economics at Duquesne University. James R. Harrigan is CEO of FreedomTrust. They host the weekly podcast, [Words & Numbers](#).